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DETERMINANTS FACTOR OF ISLAMIC MORTGAGE INCLINATION

By

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**Thesis Submitted to
Othman Yeop Abdullah Graduate School of Business,
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ABSTRACT

Nowadays, household are unable to purchase a house at the market price because they have to face many difficulties. They need to undergo lot of procedures and conditions applied to obtain loan from the financial institution to support their affordability to buy a house. This research aims to investigate the determinants factor of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy towards Islamic mortgage inclination. In this research, samples were taken from 310 respondents of civil servants in Kubang Pasu district, Kedah. To test the hypothesis of these study, researcher use t-test, one-way ANOVA, Pearson Coefficient and Multiple Regression to investigate which factor determine Islamic mortgage inclination. The finding of this study shows that there is a significant relationship between consumer attitude, perceived risk and product choice towards Islamic mortgage inclination. Thus, this research provides useful information to community and the bank managers by increasing their level of confidence towards Islamic mortgage financing. From this study, the researchers also suggest Islamic bank managers to give greater emphasis in marketing, operational and customer service to ensure employees provide the best services to their customers and achieve customer satisfaction.

Keyword: Consumer attitude, consumer finance, Islamic mortgage financing, Islamic debt policy



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LIST OF ABBREVIATIONS

BBA	Bai Bithaman Ajil
MM	Musharakah Mutanaqisah
TRA	Theory of Reasoned Action
TIP	Theory of Interpersonel Behaviour
DP	Diminishing Partnership



CHAPTER 1: INTRODUCTION

Home is a basic necessity for every human. Every family needs home for a shelter which can protect and defend them from any harm and danger. Home helps to create a strong bond within the family members. Islam is a perfect religion which focusing more on necessity. *Daruriyyah* or necessity, are one of the objective in *Maqasid Shariah*. *Daruriyyah* emphasize five elements which is protection of faith, life, posterity, property and reason. Homes are categorized in the protection of posterity. In order to protect the posterity, human needs a home as to continue the life. Nowadays, affordability to get a home is getting tougher as homes are getting expensive. However, there is a banking system which came up with mortgage system in order to insist the home buyer to get a home.

Mortgage can be defined as an instrument that pledges real estate as a security for an obligation and the process of enforcing real estate as a security as stated by Sirmans (1989). Basically, Islamic mortgage or Islamic home financing is a type of financing that is secured by a real property. This financing provides a schedule of payments of the profit rate and repayment of the principal to a bank. Interest is impermissible in the Islamic mortgage but differently for conventional mortgage loan as the loan are based on “payment of interest” as defined by Tse (1997). According to Khir et al. (2008), Islamic mortgage providers are practicing profit rate instead of interest rate. At the beginning of the contract, the pricing policy are considered as high and fixed between the customer and the Islamic bank. During the inflation, the rate is fixed and will not fluctuate. Thus, it remains stable and constant, which gives peace of mind to the customer.

The majority of Islamic scholars consider it permissible to charge higher prices for goods if payment is deferred. Islamic banks have developed a range of “mark-up” instruments for that purpose (Maali et al., 2006). With respect to Islamic home financing, the bank customer specifies the house he wants to acquire and the bank purchases the house from the supplier or developer at its normal price for cash then resells it to the client at a higher price, in which the mark-up is applied. Islamic banking and finance introduce several mechanisms on Islamic mortgage such as BBA and MM to provide Islamic home buyer to get a home.

1.1 Islamic home mortgage

Islamic financing or Islamic mortgage avoids interest-based transactions (*riba*). In Malaysia, majority of Islamic home mortgage options today are based on the *Bai Bithaman Ajil* (BBA) concept and only a small number of alternatives are based on the *Musyarakah Mutanaqisah* (MM) concept. In BBA financing, a bank's customer buys a property from the vendor and enter into the sale agreement. After that, the purchase price and the loan facility amount are described by the bank. At the same time, a transaction occurs between the bank and the purchaser. The bank sells the property to the customer at a selling price which comprises the bank's purchase price and a predetermined profit margin. The agreement is usually called the property sale agreement. Since Islamic financing requires a predetermined profit that to be made by the bank, customers will never have to worry about changes in interest rates. The customer will know the total amount which he has to pay right from the beginning. The monthly installment of the banks selling price is fixed and will not change over the financing period.

1.1.1 *Bai Bithaman Ajil* (BBA)

Bai Bithaman Ajil (BBA) can be defined as a normal sale with the payment of the selling price deferred to an agreed later date or installment payment. The item that to be sold must be exist at the time of contract. The objective of BBA are to provide financing for potential buyers who could not afford to pay cash in advanced and enable them to perform daily responsibilities and obligation without any financial hardship or difficulties. Besides that, this contract to facilitate and support the smooth flow of transaction in the business society by providing flexible modes of payment especially through credit payment.

1.1.2 *Musyarakah Mutanaqisah* (MM)

Musyarakah Mutanaqisah is a form of partnership where two or more persons combine either capital or labor together to carry a business venture on condition that they will share the profit, enjoying similar right and liabilities. Basically, the profit and loss sharing partnership is determined by ratio that agreed among partnership.

1.2 Research Problem

In Malaysia, since we are practicing dual banking system which known as conventional and banking system, there customers of clients tend to compare between Islamic and conventional product. As example, in terms of method of payment between Islamic banking and conventional banking are different. It will be more advantage to the conventional as the Islamic Debt Policy need to pay upon agreed agreement in order to pay full payment.

Attitude toward behavior is defined as an individual's positive or negative feelings about performing the target behavior (Fishbein and Ajzen, 1975). Perception is about how individual sees about something. Negative perception will affect the consumer attitude. Islamic mortgage facilities are not being seen clearly as an Islamic way for purchasing homes. Based on that, it creates perception among the customers towards Islamic mortgage product itself. Islamic banks are adapting the principles of *Maqasid shariah* and offer Islamic mortgage products which are free from *riba*, *gharar* or any prohibited elements in Islamic banking.

Risk is a potential of harm or loss. Home financing is a risky type of financing. It required a life time commitment, so the customers are very particular on minimize the risk. Nowadays, there are often the same scenario occurs in the society, not afford to purchase a home among the middle-class worker. As we know, purchasing a home is the largest financial decision of consumers due to a home is defined as a shelter and a basic need towards a human (Hjalmarsson and Hjalmarsson, 2009). In order to have a proper planning for an individual, a customer needs to purchase a home for their future needs.

For an individual at a young age and has limited financial resources making it difficult to buy houses immediately using cash term (Mishkin and Eakins, 2008) and (Baharum, 1991). As such, the consumer needs to accumulate savings for a longer period in order to purchase a house. According to Amin (2008), perceived risk influencing Islamic mortgage inclination, however the researcher conducts the previous research in Sabah.

Additionally, service quality can be seen as a major antecedent on which it can influence customer towards something. According to Parasuraman (1995), defines that service quality act as a function of the differences between expectation and performance along the quality dimensions. Service quality has chosen customers to choose Islamic mortgage products. Previous research has proved the selection of various banking product however there are scanty research that be done at Kubang Pasu district.

There are certain issue exists regarding on the operation of Islamic mortgage products. According to Rosly, (1999) criticisms are derived from negative consumer perceptions that call for a paradigm shift for Islamic banks to fully focus on consumers' inclination. Since 2003, a contemporary statistic recorded that the Islamic banking system received at least 4,000 complaints which concern consumers' dissatisfaction towards Islamic banking products, namely, Islamic mortgage products (Md-Yusop, 2012). These explain why the Islamic mortgage system has poor acceptance and low market share in the Malaysian mortgage industry. Consumers are likely to choose conventional home loans due to the low interest regime and shorter loan tenure.

In Islamic home loan, the concept of buying something on the borrower's behalf and selling it back to the borrower at profit is used. Islam does not allow usury (interest), but

it allows trading. This is why the bank buys the property on your behalf and re-sells it to you at a profit instead of lending you the money and then charging you interest. This profit rate can be based on a fixed rate or a floating rate and payments to the bank are made through installments similar to conventional financing. The majority of Islamic home financing in Malaysia today is based on *Bai Bithamin Ajil* (BBA) and the loan contract here is called a Sale and Buy-Back Agreement.

Previous study shows that consumer attitude and factors among Islamic home mortgage. However, these studies are focusing more on conventional home loans due to a small number focused on Islamic consumer preference. Therefore, there is a gap need to be filled in this research to find and identify the factors of customer towards Islamic mortgage inclination. Thus, this study postulates the determinants factor of consumer attitude, perceived risk, poor service quality, product choice and improper Islamic debt policy towards the Islamic Mortgage inclination. This study is selecting civil servants in Kubang Pasu district, Kedah as a sample for researcher to conduct the study.

1.3 Research Questions

The research questions to be addressed are as follows:

1. Is there any difference of Islamic mortgage inclination among groups in demographic factors (gender, age, job specification, monthly income, Islamic housing loan and areas of staying)?
2. Is there any relation between determinant factors (consumer attitude, perceived risk, service quality, product choice, Islamic debt policy) and Islamic mortgage inclination?
3. What are the factors that influence Islamic mortgage inclination?

1.4 Research objective

There are several questions areas led to the development of the following specific research objectives:

1. To identify the differences of Islamic mortgage inclination among groups in demographic factors (gender, age, job specification, monthly income, Islamic housing loan and areas of staying).
2. To determine the relationships between determinant factors (consumer attitude, perceived risk, service quality, product choice, Islamic debt policy) and Islamic mortgage inclination.
3. To examine the factors that influence Islamic mortgage inclination.

1.5 Significant of the Study

Islamic mortgage plays an important role for someone who has certain constraints to purchase a house. A house is essential to a consumer for it is a basic need. At a young age however, one has limited financial resources to purchase a house with cash. Thus, the exposure of Islamic mortgage can be useful for the consumer to purchase their dream house and therefore contribute in the following areas:

- ❖ This study will benefit civil servants in Kubang Pasu district, Kedah in having clear concept on Islamic mortgage and realize the importance of choosing Islamic mortgage instead of conventional mortgage.
- ❖ This study will provide more information about the relationship between the independent variables and dependent variables and thus, it explores the determinants factor of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy towards Islamic mortgage inclination.
- ❖ This study will help the bank or financial institution to create more mortgage facilities and encourage consumers for the purpose of purchasing homes.

1.6 Scope and Limitations of the Study

This study was conducted at Kubang Pasu district, Kedah. Kubang Pasu is located on the northern part of Kedah. It is the largest district in Kedah and also well known as Education Valley in Kedah because there is a concentration of educational institutions in Kubang Pasu such as Universiti Utara Malaysia, Industrial Training Institute (ILP), Polytechnic of Sultan Abdul Halim Mu'adzam Shah, Akademi Binaan Malaysia (ABM), Bandar Darulaman Community College (Kolej Komuniti Bandar Darulaman), Institut

Kemahiran Belia Negara (IKBS) and others. The districts are being developed as many potential home buyers exist. The property consists in this district comprising condominiums, apartments, terraces and other landed properties. House developer such as BDB exists in meet the customer demand. Thus, there are many home potential buyers in this district.

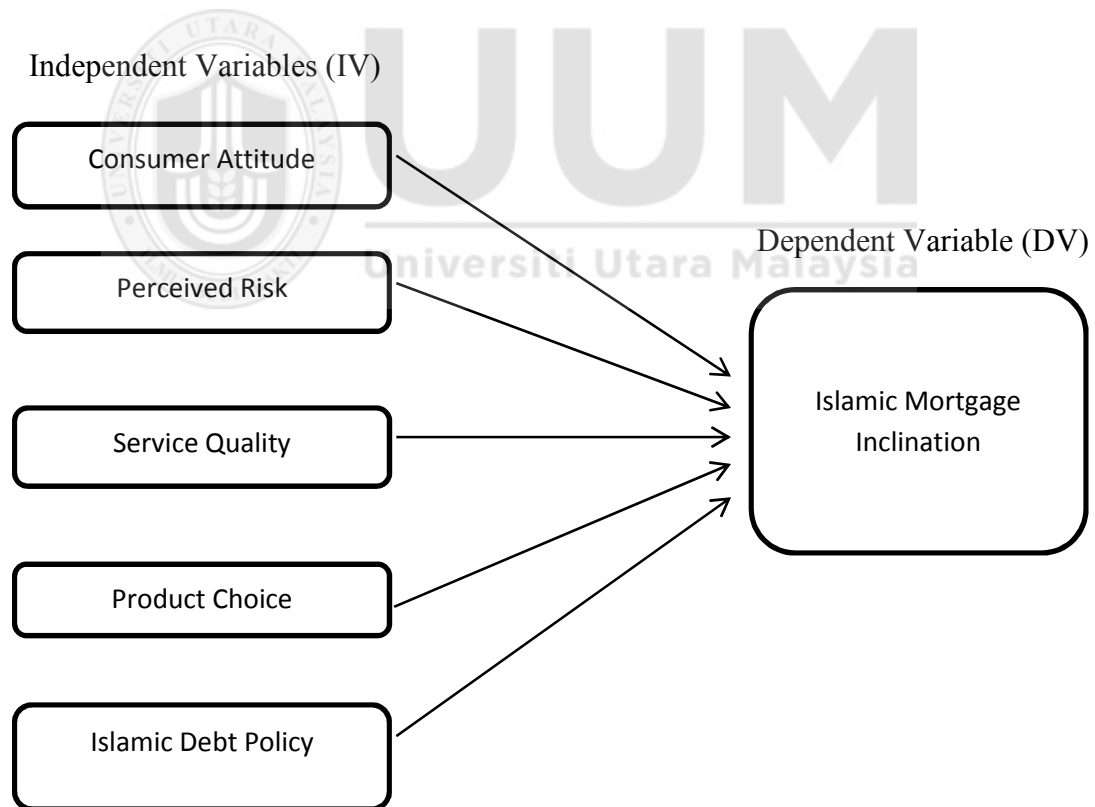
Kubang Pasu is the most developed area with saturated area, infrastructure and utilities of 9,714.39 hectares. This is due to the existence on settlements and development areas overflowing from the rapid development of the state of Penang. In addition, a good road linkage system can lead to the saturation of land use. The Kota Setar district has an area of 8,468.47 hectares of land, infrastructure and utilities, while the smallest districts with infrastructure, utilities are Padang Terap 3,026.94 hectares and Yan at 2,261.80 hectares. These areas can be classified as less developed regions due to the low build-up area.

Civil servants in Kubang Pasu district are been focused as a sample for researcher to conduct the study. In the research survey, 350 questionnaires were distributed to 350 respondents of civil servants who work in Kubang Pasu district to get feedback on determinants factor of Islamic mortgage inclination. Eligible respondents were adults aged over 25 years and above to indicate that they have a legal status to enter into an agreement with banks for mortgages.

1.7 Theoretical Framework

In this study, theoretical framework guides research, determining which variables should be measured. It is a set of theoretical assumptions that explain the relationships among set of phenomena. This study will undertake the main variables which recognize Islamic mortgage inclination as dependent variable. The independent variables consist of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy. The theoretical framework below in figure 1.1 can be illustrated as follows:

Figure 1.1:
Theoretical Framework for determinants factor of Islamic mortgage inclination



1.8 Hypothesis / Proposition Development

Hypothesis for this research is divided into two different hypotheses which are null hypothesis and alternate hypothesis. The null hypothesis, denoted by H_0 , is usually the hypothesis that sample observations result purely from chance. Meanwhile, the alternative hypothesis denoted by H_a , is the hypothesis that sample observation is influenced by some non-random cause. In this study, there are three general hypotheses were built related to the objective of the study.

Hypothesis 1

The first objective in this study is to identify the differences of Islamic mortgage inclination among groups in demographic factors (gender, age, job specification, and monthly income). Accordingly, the following hypothesis is proposed to answer first objective as follows:

Ho1.1: There is no significant difference of Islamic mortgage inclination between male and female groups.

Ha1.1: There is a significant difference of Islamic mortgage inclination between male and female groups.

Ho1.2: There is no significant difference of Islamic mortgage inclination between age groups.

Ha1.2: There is a significant difference of Islamic mortgage inclination between age groups.

Ho1.3: There is no significant difference of Islamic mortgage inclination between job specifications.

Ha1.3: There is a significant difference of Islamic mortgage inclination between job specifications.

Ho1.4: There is no significant difference of Islamic mortgage inclination between levels of income.

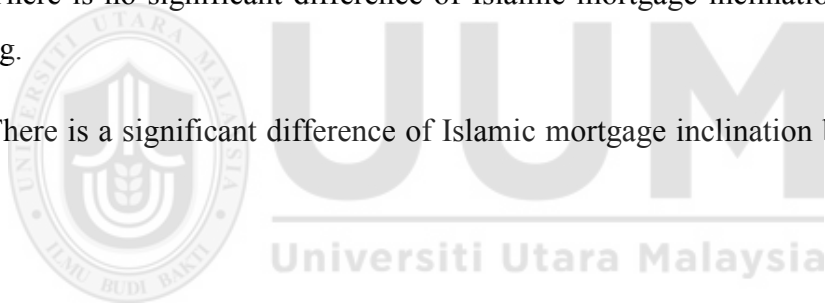
Ha1.4: There is a significant difference of Islamic mortgage inclination between levels of income.

Ho1.5: There is no significant difference of Islamic mortgage inclination between Islamic housing loans.

Ha1.5: There is a significant difference of Islamic mortgage inclination between Islamic housing loans.

Ho1.6: There is no significant difference of Islamic mortgage inclination between areas of staying.

Ha1.6: There is a significant difference of Islamic mortgage inclination between areas of staying.



Hypothesis 2

The second objective is to determine the relationships between determinant factors (consumer attitude, perceived risk, service quality, product choice, Islamic debt policy) and Islamic mortgage inclination. Accordingly, the following hypothesis is proposed to answer second objective as follows:

Ho2.1: There is no significant relationship between consumer attitude and Islamic Mortgage inclination.

Ha2.1: There is a significant relationship between consumer attitude and Islamic Mortgage inclination.

Ho2.2: There is no significant relationship between perceived risk and Islamic Mortgage inclination.

Ha2.2: There is a significant relationship between perceived risk and Islamic Mortgage inclination.

Ho2.3: There is no significant relationship between service quality and Islamic Mortgage inclination.

Ha2.3: There is a significant relationship between service quality and Islamic Mortgage inclination.

Ho2.4: There is no significant relationship between product choice and Islamic Mortgage inclination.

Ha2.4: There is a significant relationship between product choice and Islamic Mortgage inclination.

Ho2.5: There is no significant relationship between Islamic debt policy and Islamic Mortgage inclination.

Ha2.5: There is a significant relationship between Islamic debt policy and Islamic Mortgage inclination.

Hypothesis 3

The third objective is to examine the factors that influence Islamic mortgage inclination.

Accordingly, the following hypothesis is proposed to answer third objective as follows:

Ho3: The five determinants factors will not significantly explain the variance in Islamic mortgage inclination.

Ha3: The five determinants factors will significantly explain the variance in Islamic mortgage inclination.

CHAPTER 2: LITERATURE REVIEW

According to previous studies such as Naqvi (2003), Haron and Hisham (2003), and Dusuki (2008), an Islamic bank must aim at promoting Islamic values and norms rather than focusing on solely profit oriented. Islamic bank needs to protect the Islamic society as a whole. In this case, Islamic banks must achieve Islamic economic goals including social justice, equitable distribution of income and wealth and the promotion of economic development (Dusuki, 2008). Thus, the Islamic bank needs to be more concerned regarding on the determinants factor of Islamic mortgage inclination towards the customer. The table below shows the comparison between conventional home loan and Islamic home loan:

Table 2.1:
Comparison between conventional home loan and Islamic home loan

Items	Conventional Home Loan	Islamic Home Loan
Governing Authority	Bank Negara Malaysia	Bank Negara Malaysia and <i>Shariah</i> Committee
Bank rate calculation	Monthly or daily rest interest calculation based on floating or fixed rate loan.	Monthly or daily rest profit calculation based on floating or fixed rate financing.
Early settlement	1.0% charges on loan balance outstanding to compensate loss of interest.	Not allowed.
Late payment	Up to 1.0% p.a. on the arrears compounded for next month interest.	Up to 1.0% p.a. on the arrears amount. No compounded charge allowed.
Tenure	Indicatively up to 30 years. Could be more.	Contracted up to 30 years.
Payment collected	All recorded as revenue to the bank	Recorded as revenue to the bank unless a <i>Shariah</i> rule is broken.
Risk ownership	Customers bear all risks to loan (risk transfer).	Based on contracts, Bank must bear some risks to earn the returns (risk sharing).

Source: Islamic Bankers Resource Centers

Differently for conventional financing, the bank will lend the money first to the customer to buy the property then the customer will have to pay back the principal amount of loan together with the additional of interest. The method of payment is by installment over a set tenure and each installment will split between paying down the principle and paying the interest. The bank makes profit by charging down the interest based on the borrowing principal amount. There are two type of interest for the bank can choose whether to use fixed rate or be based on a floating rate such as Kuala Lumpur Interbank Offered Rate (KLIBOR) or Base Lending Rate (BLR). The loan contract in this financing is known as a Loan Facility Agreement.

In Islamic finance, the concept of early settlement does not exist. The customer may be liable for the future profit rate if he settles down the payment early. Islamic home loan is more of a partnership. The risk will be share between the bank and the customer such as in the case of an abandoned development. Meanwhile, conventional home loan providers do not share risks such as foreclosure or natural disasters.

2.1 Theory of Reasoned Action (TRA)

This study used Theory of Reason Action as the underlying theory for this research in order to obtain a wide analysis towards determinants factor of Islamic mortgage inclination. This theory was developed to explain how a consumer leads to a specific buying behavior (Fishbein, 1980). The theory of reason action emphasizes that attitude towards buying and subjective norms are the advance of performed behavior. This theory is quite similar to other theories that explain human motivation and behavior by Vroom (1964) and the theory of behavior in organizations developed by Naylor et al. (1980). The

benefit of using this theory can be seen through studying polychronicity because of its explicit attention towards beliefs, attitudes, and behaviors.

Moreover, the theory also gives a clear attention to one's beliefs about the opinion of other people who are relevant and motivates a person to adhere to that opinion, which may help in understanding clearly the effect of other members of the work unit on the polychronic behavior of the individual. Apart from that, this theory has received empirical support across a wide range of behaviors (Ajzen and Fishbein, 1969; Davidson and Jaccard, 1975; DeVries and Ajzen, 1971; McArdle, 1972; Petty and Cacioppo, 1981). According to Schiffman et al. (2010), he stated that TRA can be recognized as a holistic approach towards attitude that can lead to a better explanations and predictive consumer behavior. TRA consist of two basic determinants which are personal in nature and the other is reflecting social influence (Fishbein and Ajzen, 1975). The TRA has been seen as a useful model in understanding the formation of a favorable or unfavorable attitude towards the intended behavior.

Musharakah mutanaqisah based on mortgage are tested using the TRA model in a study by Md-Taib et al. (2008). The result indicates that behavioral intention for mortgage is determined by attitude and social influence. The study proves the validity of using TRA model for research in the area of Islamic home financing and both the TRA determinants have a slight direct influence on behavioral intention. In line with Md-Taib et al.'s (2008) study, Abdul-Razak (2011) and Abdul-Razak and Abduh (2012) have expanded this theory to understand consumer acceptance regarding on *musharakah mutanaqisah* home financing. TRA emphasizes on intrinsic and extrinsic factors in explaining one's behavioral intentions that can be used to test the determinants factor of consumer attitude,

perceived risk, poor service quality, poor product choice and unIslamic practice of debt policy towards Islamic Mortgage inclination. The theory is slightly different from the theory of interpersonal behavior (TIB).

According to previous studies such as Haron and Hisham (2003), Naqvi (2003), and Dusuki (2008), an Islamic bank must not be based on the solely profit. The bank should aim at promoting Islamic norms and values towards the customers and are responsible to protect the needs of Islamic society as a whole. At this point, Islamic banks should attain Islamic economic goals including social justice, equitable distribution of income and wealth and the promotion of economic development (Dusuki, 2008). Therefore, Islamic banks need to be more concerning on the determinants factor of Islamic mortgage inclination towards the customer.

2.2 Overview on Islamic Mortgage Inclination

Inclination can be defined as a feeling that you want to do something certain, or the fact you prefer. In the context of Islamic mortgage inclination, consumers' decision to choose Islamic mortgage is expected to be facilitating, interesting, gratifying and comforting. There is an empirical support related to the relationship between the tendency and behavioral intentions (e.g. Woon and Pee, 2004; Karaiskos et al., 2008; Ramayah et al., 2008). Basically, consumers are encouraged to seek for information before adoption. This is mainly due to mortgage financing has long-term financial implications on them which in turn it will affect their emotion. During the information seeking, the consumers can notify whether Islamic mortgage products are convenient, satisfying and promising or not. Koklic and Vida (2009) proves that information seeking before taking a mortgage can help to develop the confidence level and gratification intrinsically motivating

consumers to take up mortgages. Thus, Islamic mortgage inclination plays an important role in understanding consumer's willingness to choose Islamic mortgage products.

2.3 Consumer Attitude

“Attitude” means a learned susceptibility responding to an object in a consistently favorable or unfavorable way. Attitude toward behavior can be seen through an individual's positive or negative feelings about performing the target behavior as clearly define by (Fishbein & Ajzen, 1975). It plays an important role in observing a consumer's behavior. Attitudes cannot be observed directly, they are mental positions that marketers must try to deduce through research measures (Wilkie, 1994). According to past research, a large number of studies often conceptualize attitude in relation to Fishbein and Ajzen's (1975) TRA. This theory shows that one's behavioral intentions in pursuing a particular behavior are determined by two factors, namely external and intrinsic factors. Extrinsic factors refer to social norms, while intrinsic factors refer to attitudes. The higher the level of attitude, the greater is the behavioral intention towards individual actual behavior.

Consumers who have developed positive attitude are more likely to assist in the organization and give a positive assessment in understanding the buying behavior (Berger et al, 1994). Differently for the consumers with negative attitude, it may lead to poor perception of an organization's services and thus leads to weak formation of acceptance (Gopi and Ramayah, 2007). Md-Taib et al. (2008) stated that consumer attitude has a significant influence on customer intention to choose *musharakah mutanaqisah* home financing model. Thus, this study explains the effects of consumer attitude on Islamic Mortgage inclination.

2.4 Perceived Risk

Perceived risk can be expressed as uncertainty consists in the Islamic mortgage products. When a consumer makes a purchase decision, the risk implies greater as the consequences of making a mistake can have occurred (Batra and Sinha, 2000). Havlena and DeSarbo (1991) reflect the multidimensional nature of perceived consumer risk, involving performance, financial, safety, social, psychological, and time/opportunity dimensions. The perceived risk can give strongly impact towards a consumer behavior. Mitchell (1992) disputed that perceived risk bring effects on the five stages of the consumer decision process, which are problem recognition, pre-purchase information retrieval, alternative assessments, purchase decision and post-purchase behavior.

Zeithaml (1981) suggests that the level of perceived risk would be higher for consumers purchasing services than physical goods because services are intangible, non-standardized and usually sold without guarantees or warranties. Hence, the amount and quality of comprehensible information for consumers is reduced and the level of perceived risk is expected to be increase (Cox, 1967; Murray and Schlacter, 1990). In the context of Islamic mortgage, perceived risk can be seen through the court cases involving bank customers who are unable to repay their mortgages (e.g. unemployed), which leads to a large amount of loans due the customers default on the payments (Abu-Backer, 2002). Based on this situation, the consumers will have faced fear and restrict the acceptance of the Islamic mortgage. Therefore, Islamic banks are regarded as unIslamic as far as transparency, where ethical aspects of *muamalat* are not being practiced (Khan, 2010). Given these arguments, however, it is expected that risk perceptions have a tendency to influence a person's perception on choosing Islamic mortgage. Thus, this

study will be conducted to examine the effect of perceived risk on Islamic mortgage inclination.

2.5 Service Quality

According to Parasuraman (1995), service quality can be defined as an act as a function of the differences between expectation and performance throughout the quality dimensions. Apart from that, service quality can be defined as a major factor in determining the success or failure of an organization. Chen (2004) stated that service quality can be defined as contradiction between what customers expect and what customers get. In the context of this study, service qualities involve the customer–banking relationship in which service quality is linked with the ability of the facilities in fulfilling the expectation of bank customers and to achieve competitive distinction in the mortgage sector.

The key to be success in the industry are depends on the service quality provided (Lymperopoulos et al., 2006). This confirms that service quality is be seen as a central to creates a successful customer– banking relationship, enhancing corporate image of the banks and encouraging a favorable attitude among potential customers on Islamic mortgage financing. Thus, service quality is an important factor regarding on Islamic Mortgage inclination to consumers.

2.6 Product Choice

The customer need have an early exposure on the product choice exist in Islamic mortgage sector which it can help them to make a wise decision regarding on his current condition. As been defined by Chen (2004), the concept of product choice illustrates the consumer's belief that Islamic home financing has a wide selection of product offerings. The role of Islamic banks is being used to develop new products and sustain their survival through consumer preference. Referring to this context, Islamic banks are expected to offer a greater product choice than their conventional counterparts, more choices in terms of *Shariah* principles, different product features, various brands and the expectation of new product offerings. Basically, customers are often to choose and visit Islamic bank branches that offer variety of products.

In generally, if the product choice meets the customer expectations, in returns the customers tend to consider an Islamic bank branch and will continue to visit it (Ahn et al., 2004). Engku-Ali (2010), states that Islamic home financing are facing some obstacles exists which it brings a result in failure to meet various customer needs including failing to deal with the type of properties purchased by the customer and explaining the range of products of the financing facilities are scant (Ahmed, 2011). As a result of these consequences, it will make Islamic home financing products less attractive to consumers and the failure to consider this issue will cause negative attitudes among consumers. At the end, the customers changing their priorities to conventional home loans. Thus, the product choice may lead to big influence of Islamic Mortgage inclination towards the customer.

2.7 Islamic Debt Policy

Within the scope of this research, Islamic debt policy can be defined as the level of compliance by Islamic banks based on the debt policy which been advocated in the Quran and Hadith. Islamic banks need to focus more on the development of zakat and qard al hasan to improve the values of the stakeholders and the bank debtors (Haniffa and Hudaib, 2007). Beekun and Badawi (2005) stressed that Islamic bank are responsible to provide practice to their debtors and should not take advantage of the debtors. According to Abu-Backer (2002) who argues that debt policy in Islamic bank should be in line with the true spirit of *Shariah*.

The debt policy offered by Islamic banks is based on the modeled in the conventional (Abu-Backer, 2002 and Muneeza et al., 2011). It is generally illustrated that Islamic banks treat the customer same as conventional banks. The banks will end up torture their customers who are not afford to repay on time, which in turn it will affect the customer's emotions. When this issue is widely circulated, potential customer of Islamic bank is facing fear towards the financing facilities lies in the Islamic bank. As the result, negative attitude and bad perception are being developed by the customer towards the ability of the Islamic bank to serve to the community as a whole. Hence, Islamic bank need to take an immediate action and corrective measures to address any issues that may arise in the future.

CHAPTER 3: METHODOLOGY

Research methods and techniques is a method of designing, collecting and analyzing data in order to produce evidence which could support a study and explain how a problem is studied and why a certain methods and techniques used in conducting this study. It is important for researchers to choose and determine the appropriate research design to choose to provide a framework in conducting this study.

3.1 Research Design

A quantitative approach is used by the researcher to conduct in this study. The questionnaires are being distributed to the respondent. This research is being conducting to study the relationship between dependent variable and independent variable. Descriptive study was designed to discover the relationship between the variables (Sekaran and Bougie, 2013). In this study, a cross-sectional study was applied because the data was collected from a few places in a period of one week according to civil servants in Kubang Pasu district, Kedah. After distributing the questionnaire, the raw data will be analyzed by using SPSS software version 23.

3.2 Population and Sampling Technique

3.2.1 Target Population

This study aims to test the relationship between the demographic factor, consumer attitude, perceived risk, service quality, product choice and Islamic debt policy towards Islamic mortgage inclination. In this study, there is 1600 number population of civil servants in the area of Kubang Pasu district, Kedah. There are many home potential buyers in this district.

3.2.2 Sample Size

This study is being conducted by using survey approach. The population in this study consists of 1600 number of population in the area of Kubang Pasu district, Kedah. The number of sample 310 is considered as enough to conduct in this research. The questionnaires will be distributed by using random sampling. Random sampling is a method of sample selection via random in a group of number (Waksberg, 2012). This is the suitable method to use in order to reduce the cost surveys. Besides, it can help to reduce the proportion of unused numbers sharply. Eligible respondents were adults aged over 25 years and above to indicate that they have a legal status to enter into an agreement with banks for mortgages. The respondents are being selected using a random sampling based on two requirements. First, they should have experiences in Islamic mortgage transactions. Second, they should have intentions to purchase houses in the future. These requirements help to control the selection of the respondents chosen in this study. The respondents were given about ten until fifteen minutes to answer the questionnaire.

3.3 Measurement of Variable

Operational definition can be defined as a concept to be measured by considering behavior dimensions, aspect or property that has been signified by the concept (Sekaran, 2013). The research framework below emphasizes the operational definition of construct:

Table 3.1:
The Measurement of Questionnaire Design

Variables	Questionnaire		Source
	Number of Questions	Total of Items	
Demographic factors	2 to 7	6 items	Self-developed
Islamic Mortgage inclination	8 to 11	4 items	Koklic and Vida (2009)
Consumer Attitude	12 to 18	7 items	Md-Taib et al. (2008)
Perceived Risk	19 to 24	6 items	Lee, (2009) and Amin (2008)
Service Quality	25 to 31	7 items	Chen et al., (2004)
Product Choice	32 to 35	4 items	Chen et al., (2004), Koo et al. (2008) and Park et al. (2012)
Islamic Debt Policy	36 to 40	5 items	Haniffa and Hudaib (2007) and Amin (2008)

3.4 Questionnaire Development

A questionnaire is an official set of questions to obtain information from respondents. There are two type of question which is unstructured and structured. Non-structured questions open - closed that respondents answered according to their own opinion. While Question structured set of reaction and determine their format. A structured question offers a selection according to their opinion. Design an appropriate questionnaire will be prepared and distributed to the respondents. In this study structured question are being used in the questionnaire. Questionnaires were made in groups and will be released in both languages: English and Malay language as more appropriate to the social and cultural among civil servants in Kubang Pasu district, Kedah. The questionnaire was divided into two sections. The first section is Part A which is based on demographic factors consist of gender, age, job specification, monthly income, Islamic housing loan and areas of staying. The second section consists of Part B which reflects on the

questions on dependent and independent variables. The dependent variable in this study recognize as Islamic mortgage inclination. The independent variables consist of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy.

3.4.1 Demographic Factors

Questions were developed by the researcher to collect all the basic information about the background of the respondents. This part consists of six items to measure the demographic factors such as gender, age, job specification, monthly income, Islamic housing loan and areas of staying. The six items in the questionnaire are self-created.

3.4.2 Islamic Mortgage Inclination

Koklic and Vida (2009) have proven that seeking information before taking a mortgage can increase confidence and satisfaction level inherently motivating the consumer to take a mortgage. Questions were developed by the researcher to focus on Islamic mortgage inclination among the civil servants which involving 310 respondents. It is to expose the true ability of the respondent towards the Islamic Mortgage inclination in the community.

3.4.3 Consumer Attitude

Attitude can be described as positive or negative effects which can influence individuals in pursuit of certain behavior (Gopi and Ramayah, 2007). Attitude gives full impact on individual's decision towards something. Thus, attitude is measured by using seven items adapted from Md-Taib et al. (2008)

3.4.4 Perceived Risk

Perceived risk can be defined as uncertainty in Islamic mortgage products. Various studies examine the impact of perceived risk on consumer willingness to accept certain system (Lee, 2009). Perceived risk is measured using six items adapted from previous studies (Lee, 2009; Featherman and Pavlou, 2003; and Amin, 2008).

3.4.5 Service Quality

Service quality is a repetitive research issue in customer-banking relationship. Service quality can be defined as a disparity between what the customer expects and what the customer get (Chen et al., 2004). Service qualities are being targeted by most of the researcher regarding on the reliability of it towards some actions. The measurement for service quality is determined using seven items adapted from Chen et al. (2004).

3.4.6 Product Choice

The concept of product choice expresses the consumer's belief that Islamic home financing has variety selection of product offerings (Chen et al., 2004). Islamic bank is usually involved in developing new products and maintaining their survival through consumer preferences. The measurement for product choice is determined using four items adapted from Chen et al. (2004), Koo et al. (2008) and Park et al. (2012). These studies provide measurement items that reflect product choice.

3.4.7 Islamic Debt Policy

Islamic debt policy is measured using five items adapted from the Al-Quran (1997), Haniffa and Hudaib (2007) and Amin (2008). For instance, the bank needs to negotiate in a good way when the customer pays late. The bank also should clearly define the Islamic home financing policy towards the customer in order to avoid confusions.

3.5 Validity Test

3.5.1 Experts Validity

The questionnaire was given to experts to further enhance and improve it. The researchers met personally with two experts, i.e. UUM lecturer, and explained to them about the study. Using Lawshe's technique for content validity quantification, experts were asked to indicate their perspective on every item to what extend each item is "strongly disagree", "disagree", "neutral", "agree" or "strongly agree" in understanding every part of Islamic mortgage inclination. The researchers further provided, by the end of every part/section, two more blank rows allowing the expert to add new items that should be included along with the existing items. This technique is suitable method to indicate an agreement among the judges regarding how essential a particular item is. Based on Lawshe (1975), a level of 50% agreement gives some assurance of content validity. After running Lawshe's technique, they agreed with most of the items with few changes, especially in using different words that are easier and more understandable by the potential respondents.

3.5.2 Pilot Test

Pilot test was conducted after the initial version of the questionnaire has been set up before a mass survey was conducted. Through pilot test, researchers are able to see any confusion that arises in this study and thereby allow researchers to overcome the problems faced by respondents when completing the questionnaires. In this study, the pilot tests are being conducted among 10 participants of UUM staff (academician and administration) in University Utara Malaysia.

3.6 Data Analysis and Interpretation

Data analysis processing methods include editing, coding and key answers in computers to process raw data before they can be analyzed. Incomplete questionnaire is excluded. For this study, each item is coded based on its construction. A SPSS is used for the purpose. The questionnaire was divided into two sections. The first section is Part A which is based on demographic factors (gender, age, job specification, monthly income, Islamic housing loan and area of staying). The second section consists of Part B includes (Islamic mortgage inclination, consumer attitude, perceived risk, service quality, product choice and Islamic debt policy). The study uses five-point Likert scale. A score of 1 indicates “strongly disagree”, 2 indicates “disagree”, 3 indicates “neutral”, 4 indicates “agree” and 5 indicate “strongly agree” with the statement. The statistical tools which are used to interpret the data are presented as below:

Table 3.2:

Research Hypothesis for determinants factor of Islamic mortgage inclination

Hypothesis	Scale	Test
Ho1.1: There is no significant difference of Islamic mortgage inclination between male and female groups.	Nominal Scale	Independent t-test Analysis
Ho1.2: There is no significant difference of Islamic mortgage inclination between age groups.	Ratio Scale	One Way ANOVA Analysis
Ho1.3: There is no significant difference of Islamic mortgage inclination between job specifications.	Nominal Scale	One Way ANOVA Analysis
Ho1.4: There is no significant difference of Islamic mortgage inclination between levels of income.	Nominal Scale	One Way ANOVA Analysis
Ho1.5: There is no significant difference of Islamic mortgage inclination between Islamic housing loans.	Nominal Scale	Independent t-test Analysis
Ho1.6: There is no significant difference of Islamic mortgage inclination between areas of staying.	Nominal Scale	One Way ANOVA Analysis
Ho2.1: There is no significant relationship between consumer attitude and Islamic Mortgage inclination.	Likert Scale	Pearson Correlation
Ho2.2: There is no significant relationship between perceived risk and Islamic Mortgage inclination.	Likert Scale	Pearson Correlation
Ho2.3: There is no significant relationship between service quality and Islamic Mortgage inclination.	Likert Scale	Pearson Correlation
Ho2.4: There is no significant relationship between product choice and Islamic Mortgage inclination.	Likert Scale	Pearson Correlation
Ho2.5: There is no significant relationship between Islamic debt policy and Islamic Mortgage inclination.	Likert Scale	Pearson Correlation
Ha3: The examine factors (consumer attitude, perceived risk, service quality, product choice, Islamic debt policy) are significantly influence Islamic mortgage inclination.	Likert Scale	Multiple Regression

3.7 Summary

Islamic Mortgage is differing from conventional Mortgage. In order to have a clear understanding on Islamic mortgage inclination, thus this study is to examine the determinants factors of Islamic Mortgage inclination which postulate the determinants factor of consumer attitude, perceived risk, poor service quality, product choice and improper Islamic debt policy. Questions were developed by the researcher to focus on Islamic mortgage inclination among the civil servants in Kubang Pasu district, Kedah. It is to reveal the actual ability of the respondent towards the Islamic Mortgage inclination in the community.



CHAPTER 4: RESULTS AND DISCUSSION

4.1 Descriptive analysis

In this study, there are a total of 310 respondents of civil servants in Kubang Pasu district. Five demographic factors are recorded, namely gender, age, job specification, monthly income, Islamic housing loan and area of staying. Table 4.1 displays the results of the respondent profile analysis carried out by the researcher.

Table 4.1:
Respondent Profile

Variable	Characteristics	Number	Percentage
Gender	Male	166	53.5%
	Female	144	46.5%
Age	18-27 years' old	73	23.5%
	28-37 years' old	142	45.8%
	38-47 years' old	66	21.3%
	48 years old and above	29	9.4%
Job Specification	Senior Officer	14	4.5%
	Officer	30	9.7%
	Assistant Officer	105	33.9%
	Supporting Staff	161	51.9%
Monthly Income	Less than RM 2500	89	28.7%
	RM 2501 – RM 3500	128	41.3%
	RM 3501 – RM 4500	62	20.0%
	RM 4501 – RM 5500	17	5.5%
	RM 5501 – RM 6500	5	1.6%
	RM 6501 – RM 7500	6	1.9%
	More than RM 7500	3	1.0%
Islamic Housing Loan	Yes	145	46.8%
	No	165	53.2%

Area of Staying	Jitra	166	53.5%
	Sintok	22	7.1%
	Changlun	23	7.4%
	Bukit Kayu Hitam	16	5.2%
	Bandar Darul Aman	41	13.2%
	Kodiang	23	7.4%
	Ayer Hitam	19	6.1%
Total		310	100%

(Refer to Appendix A)

Based on the Table 4.1, the sample respondents comprised 46.5% females and 53.5% males. The majority of the respondents were between 28-37 years (45.8%), followed by the 18-27 years (23.5%) and between 38-47 years (21.3%), while the rest was 48 years old and above (9.4%). In terms of job specification, majority of them are supporting staff with a percentage of 51.9 %, followed by 33.9% are assistant officer. There are 46.8% respondents use Islamic housing loan and Jitra are the most choices for staying area (53.5%).

4.2 Reliability Test

Cronbach's Alpha is the reliability coefficient that specifies whether the items in the questionnaire are related to each other's. All independent variable will be tested by using reliability analysis. It is important to check the reliability of the questions to ensure that the respondent understands the given questionnaires. In commonly, if the value of Cronbach's Alpha is more than 0.60, it shows that the questions are good and the respondents understand the meaning of the questions. According to Nunally and Bernstein (1994), if the value of the Cronbach's Alpha is less than 0.60 are considered as "poor", while the range of 0.6 to 0.7 are considered as "moderate", those in the range of

0.70 to 0.80 are "good" and those over 0.80 to 0.9 are considered "very good" and lastly the "excellent" strength of alpha value is more than 0.90.

Table 4.2:

Rules of Thumb about Cronbach-Alpha Coefficient Size

Alpha Coefficient Range	Strength of Association
<0.6	Poor
0.6 to < 0.7	Moderate
0.7 to < 0.8	Good
0.8 to < 0.9	Very good
>0.9	Excellent

Sources: Uma Sekaran (2010), Research Methods for Business: A Skill Building Approach

Table 4.3:

Result of reliability test

Variables	Cronbach' Alpha
Islamic Mortgage Inclination	0.952
Consumer Attitude	0.966
Perceived Risk	0.946
Service Quality	0.961
Product Choice	0.950
Islamic Debt Policy	0.955

From the Table 4.3 above, the results show that Cronbach's alpha for selection to choose Islamic mortgage inclination, consumer attitude, perceived risk, service quality, product choice, Islamic debt policy are 0.952, 0.966, 0.946, 0.961, 0.950 and 0.955 respectively which means that all the variables are reliable. Since the value of Cronbach's alpha for all variables are more than 0.90, therefore the strength of association is considered as excellent. Thus, the instrument used in this study is consistent and stable as presented in Appendix B (Reliability Analysis).

4.3 Normality test

Normally of data is considered as a basis for research conducted primarily by multivariate research (Hair et al., 1998). Normal assumptions are prerequisites for many statistical techniques that can be inferred as defined by Coakes and Steed (2007). Skewness and kurtosis values can be attained by using normality. Normal distribution describes the expected distribution of sample means and many other possible occurrences (Hair et al, 2007). Normal distribution is very important for researchers who collect data by using sampling as it provides the underlying source for many inferences. Therefore, in this study, a researcher conducts a normality tests to ensure that normality of distribution and checking for outliers. According to Coakes and Steed (2007), express that the positive value for Skewness signify positive inclination while the positive value for indicate a distribution that is peaked (leptokurtic). Negative values for Skewness specify a negative skew, while negative values for Kurtosis shows a distribution that is flatter (platykurtic). Based on Appendix C, all of the values for Skewness and Kurtosis within the range +1 to -1, generally is accepted where means are zero. Based on the given result, shows that the data set has not violated the assumption of normality. Therefore, it is shown that all variables are normally distributed.

4.4 Independent Sample T-Test

4.4.1 The Difference of Islamic mortgage inclination between male and female groups.

Independent Samples T-Test analysis is conducted to test null hypothesis one (Ho1.1) in term of gender which is as follows:

Ho1.1: There is no significant difference of Islamic mortgage inclination between male and female groups.

Table 4.4:

The Difference of Islamic mortgage inclination between male and female groups

Group	Mean	Std. deviation	t-value	Sig
Male	4.09	.720	4.098	.0865
Female	3.74	.702		

The results from Independent Samples T-Test analysis above indicate that the differences of mean and standard deviation between male and female on the Islamic mortgage inclination are relatively small. The differences of mean and standard deviation are 0.35 and 0.018 respectively while the t-value is 4.098. The significance level is 0.865 is higher than the acceptable level of 0.05, therefore the null hypothesis is failed to reject. Hence, the finding concludes that there is no significant difference of Islamic mortgage inclination between male and female groups among civil servants in Kubang Pasu district.

4.4.2 The Difference of Islamic mortgage inclination between Islamic housing loans.

Independent Samples T-Test analysis is conducted to test null hypothesis one (Ho1.5) in term of Islamic housing loan which is as follows:

Ho1.5: There is no significant difference of Islamic mortgage inclination between Islamic housing loans.

Table 4.5:

The Difference of Islamic mortgage inclination between Islamic housing loans

Group	Mean	Std. deviation	t-value	Sig
Yes	4.40	.536	13.753	.035
No	3.50	.607		

The results from Independent Samples T-Test analysis above indicate that the differences of mean and standard deviation between groups of respondent apply and not applying for Islamic housing loan on the Islamic mortgage inclination is relatively small. The differences of mean and standard deviation are 0.90 and 0.071 respectively while the t-value is 13.753. The significance level is 0.35 which is higher than the acceptable level of 0.05, therefore the null hypothesis is failed to reject. Hence, the finding concludes that there is no significant difference of Islamic mortgage inclination between Islamic housing loans among civil servants in Kubang Pasu district.

4.5 One-way ANOVA

4.5.1 The Difference of Islamic mortgage inclination between age groups.

One-way ANOVA analysis is conducted to test null hypothesis one (Ho1.2) in term of age groups which is as follows:

Ho1.2: There is no significant difference of Islamic mortgage inclination between age groups.

Table 4.6:

The Difference of Islamic mortgage inclination between age groups

Group	Mean	Std. deviation	F	Sig
18-27 years old	3.71	.613	0.496	.0686
28-37 years old	3.89	.734		
38-47 years old	4.05	.764		
48 years old and above	4.31	.719		

The results from One-way ANOVA analysis above indicate that the differences of mean between groups of age on the Islamic mortgage inclination are relatively small. Descriptively, the results found that mean of age 48 years and above is the highest compare to other groups of age, while groups of age 18-27 shows the lowest mean. The F value is 0.496 with significance level is 0.0686 which is higher than the acceptable level of 0.05, therefore the null hypothesis is failed to reject. Hence, the finding concludes that there is no significant difference of Islamic mortgage inclination between age groups among civil servants in Kubang Pasu district.

4.5.2 The Difference of Islamic mortgage inclination between job specifications.

One-way ANOVA analysis is conducted to test null hypothesis one (Ho1.3) in term of job specification which is as follows:

Ho1.3: There is no significant difference of Islamic mortgage inclination between job specifications.

Table 4.7:

The Difference of Islamic mortgage inclination between job specifications

Group	Mean	Std. deviation	F	Sig
Senior Officer	4.1250	.69856	.496	.686
Officer	3.9500	.81049		
Assistant Officer	3.9381	.73852		
Supporting Staff	3.8898	.71362		

The results from One-way ANOVA analysis above indicate that the differences of mean between groups of job specifications on the Islamic home financing selection are relatively small. Descriptively, the results found that mean of senior officer is the highest compare to other groups of job specification, while groups of supporting staff show the lowest mean. The F value is 0.496 with significance level is 0.686 which is higher than the acceptable level of 0.05, therefore the null hypothesis is failed to reject. Hence, the finding concludes that there is no significant difference of Islamic mortgage inclination between job specifications among civil servants in Kubang Pasu district.

4.5.3 The Difference of Islamic mortgage inclination between levels of income.

One-way ANOVA analysis is conducted to test null hypothesis one (Ho1.4) in term of levels of income which is as follows:

Ho1.4: There is no significant difference of Islamic mortgage inclination between levels of income.

Table 4.8:

The Difference of Islamic mortgage inclination between levels of income

Group	Mean	Std. deviation	F	Sig
Less than RM 2500	3.5562	.62472	8.514	.000
RM 2501 - RM 3500	3.9531	.72752		
RM 3501 - RM 4500	4.1089	.69927		
RM 4501 - RM 5500	4.4706	.67825		
RM 5501 - RM 6500	4.4500	.41079		
RM 6501 - RM 7500	4.5000	.41833		
More than RM 7500	4.5000	.43301		

The results from One-way ANOVA analysis above indicate that the differences of mean between groups of levels of income on the Islamic mortgage inclination are relatively small. Descriptively, the results found that mean of RM 6501 – RM 7500 and more than RM 7500 are the highest compare to other groups of levels of income, while groups of less than RM 2500 shows the lowest mean. The F value is 0.8514 with significance level is 0.000 which is lower than the acceptable level of 0.05, therefore the null hypothesis is accepted. Hence, the finding concludes that there is a significant difference of Islamic

mortgage inclination between levels of income among civil servants in Kubang Pasu district.

4.5.4 The Difference of Islamic mortgage inclination between areas of staying.

One-way ANOVA analysis is conducted to test null hypothesis one (Ho1.6) in term of area of staying which is as follows:

Ho1.6: There is no significant difference of Islamic mortgage inclination between areas of staying.

Table 4.9:

The Difference of Islamic mortgage inclination between areas of staying

Group	Mean	Std. deviation	F	Sig
Jitra	3.9142	.74504	.567	.756
Sintok	3.9659	.71670		
Changlun	4.0217	.67383		
Bukit Kayu Hitam	4.1563	.59073		
Bandar Darul Aman	3.9024	.80210		
Kodiang	3.7609	.66349		
Ayer Hitam	3.8684	.72824		

The results from One-way ANOVA analysis above indicate that the differences of mean between groups of areas of staying on the Islamic mortgage inclination are relatively small. Descriptively, the results found that mean of staying area at Bukit Kayu Hitam is the highest compare to other groups of staying area, while Kodiang shows the lowest

mean. The F value is 0.567 with significance level is 0.756 which is lower than the acceptable level of 0.05, therefore the null hypothesis is failed to reject. Hence, the finding concludes that there is no significant difference of Islamic mortgage inclination between areas of staying among civil servants in Kubang Pasu district.

4.6 Pearson Correlation

In this study, data collected by researchers will be analyzed by using the Pearson correlation. It is important to demonstrate the strength and importance of bivariate relationships between variables on the interval scale. Thus, this study aims to achieve the third research objective which is to determine relationship with the independent variable consist of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy with the Islamic mortgage inclination. The computation of the Pearson correlation coefficients was executed to gain an understanding of the relationships between all the variables in this study. Therefore, this study proposed five hypotheses as follows:

Ho2.1: There is no significant relationship between consumer attitude and Islamic Mortgage inclination.

Ho2.2: There is no significant relationship between perceived risk and Islamic Mortgage inclination.

Ho2.3: There is no significant relationship between service quality and Islamic Mortgage inclination.

Ho2.4: There is no significant relationship between product choice and Islamic Mortgage inclination.

Ho2.5: There is no significant relationship between Islamic debt policy and Islamic Mortgage inclination.

Table 4.10:
Rules of Thumb about Correlation Coefficient

Coefficient Range	Strength of Association
$\pm .91 - \pm 1.00$	Very Strong
$\pm .71 - \pm .90$	High
$\pm .41 - \pm .70$	Moderate
$\pm .21 - \pm .40$	Small but definite relationship
$\pm .01 - \pm .20$	Slight, almost negligible

Sources: Hair, Money, Samouel & Page (2007)

Table 4.11:
Results of Pearson Correlation between Islamic mortgage inclination and independent variables

Variables	Correlation	Sig.
Consumer Attitude	.802**	0.000
Perceived Risk	.768**	0.000
Service Quality	.758**	0.000
Product Choice	.715**	0.000
Islamic Debt Policy	.712**	0.000

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).
(Please refer Appendix E for detail output)

According to Table 4.11, the Correlation is significant at the 0.01 level (2-tailed). The (**) sign show that there is a significant relationship at the confidence level of 99% where the value of significance is 0.01 or less. Based from the result shows consumer attitude, perceived risk, service quality, product choice and Islamic debt policy are significant with the Islamic mortgage inclination at the confidence level 0.000. These variables have relationship towards Islamic mortgage inclination.

For second hypothesis (Ho2.1, Ho2.2, Ho2.3, Ho2.4, Ho2.5), the strength of association between Islamic mortgage inclination and consumer attitude, perceived risk, service quality, product choice and Islamic debt policy with the value of 0.802, 0.768, 0.758, 0.715, and 0.712 are considered as high. In addition, all of these variables are positively correlated with Islamic mortgage inclination. It means that if one unit of all these five variables increase, the Islamic mortgage inclination is also increase. Since the value of p is less than 0.01, thus the null hypothesis is rejected. Thus, this study concludes that there are relationships between consumer attitude, perceived risk, service quality, product choice and Islamic debt policy with the Islamic mortgage inclination. Therefore, when consumer attitude, perceived risk, service quality, product choice and Islamic debt policy are good, determinants factor of Islamic mortgage inclination will be higher and vice versa.

4.7 Multiple Linear Regressions

Multiple linear regressions are used as an analytical tool to investigate the influence of determinant factors of Islamic mortgage inclination. Linear regression is used to predict variable values based on other variable values. In this study, the researcher wants to predict the determinants factor of Islamic mortgage inclination among civil servants while the variables used to predict are consumer attitude, perceived risk, service quality, product choice and Islamic debt policy. The hypothesis was formulated as below:

Ha3: The examine factors (consumer attitude, perceived risk, service quality, product choice, Islamic debt policy) are significantly influence Islamic mortgage inclination.

Table 4.12:
Result of Multiple Regression Analysis for determinants factors on Islamic mortgage inclination

Model		Coefficients ^a			t	Sig.	Status
		Unstandardized Coefficients		Standardized Coefficients			
		B	Std. Error	Beta			
1	(constant)	.005	.146		.035	.972	
	Consumer Attitude	.452	.057	.431	7.992	.000	Significant
	Perceived Risk	.270	.066	.235	4.075	.000	Significant
	Service Quality	.114	.082	.102	1.396	.164	Not Significant
	Product Choice	.148	.066	.141	2.252	.025	Significant
	Islamic Debt Policy	.014	.071	.013	.197	.844	Not Significant

** Correlation is significant at the 0.01 level (2 tailed)

*Correlation is significant at the 0.05 level (2 tailed)

Significant value = 0.000

F value=151.877

R² = 0.714

(Please refer Appendix F for detail output)

Based on the above table, the analysis of variance from ANOVA indicated that F statistic produced ($F = 151.877$) is found to be significant ($p = 0.000$) at the level 0.05 level. Meanwhile, the R square value is the statistic that provides some information about the goodness of the model. The value of R square is 0.714. This indicates that 71.4 percent of the variation in the dependent variable explained by the independent variables which are consumer attitude, perceived risk, service quality, product choice and Islamic debt policy. While the rest, which is 28.6 percent are explained by excluded variable in the model.

Moreover, the study from the output shows consumer attitude, perceived risk and product choice are significant to examine the factors of Islamic mortgage inclination at the interval level of 0.05. The highest B coefficient score is consumer attitude with 0.452 followed by perceived risk, product choice, service quality, and Islamic debt policy which are 0.270, 0.148, 0.114 and 0.14 respectively. Therefore, consumer attitude is the most influential independent variable on Islamic mortgage inclination among civil servants. The objective is to examine the factors of consumer attitude, perceived risk, service quality, product choice and Islamic debt policy that influencing Islamic mortgage inclination, the researcher had summarized the relationship between the variables such as formula equation below.

The following equation represents of the multiple linear regression analysis;

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + b_6x_6$$

$$Y = \text{IMI: } 0.005 + 0.452 \text{ CA} + 0.270 \text{ PR} + 0.114 \text{ SQ} + 0.148 \text{ PC} + 0.014 \text{ IDP}$$

Where, a = Intercepts
 y = Islamic Mortgage Inclination
 b_{1x1} = Consumer Attitude
 b_{2x2} = Perceived Risk
 b_{3x3} = Service Quality
 b_{4x4} = Product Choice
 b_{5x5} = Islamic Debt Policy

From the above formula explains that when one unit of consumer attitude increases, then the Islamic mortgage inclination will increase by 0.452 units. Next, one of unit of perceived risk increase would make Islamic mortgage inclination increase by 0.270 units and one unit of product choice increase would make Islamic mortgage inclination increase by 0.148 units. As the overall results, the alternative hypothesis (H_a) is accepted, meanwhile the null hypothesis (H_o) is rejected because the regression model reaches statically significant as the p-value is less than 0.05.

Based on this study, consumer attitude gives significant effect on Islamic mortgage inclination because those who with high positive attitude gives great intentions on choosing Islamic mortgage. According to Amin (2011), the decision made by the customers will affect an individual in performing a particular behavior. This in mainly because the decision made are based on their feelings depends on the positive or negative in order to choose Islamic mortgage. In conclusion, from the entire results, it can be including that consumer attitude, perceived risk and product choice show significant effect towards Islamic mortgage inclination.

4.8 Summary

In this chapter, the researcher had conducted the descriptive analysis, correlation and regression analysis. From the result, descriptive analysis indicated that there is high moderate level of Islamic mortgage inclination among the respondent. In term of correlation, consumer attitude, perceived risk, service quality, product choice and Islamic debt policy show positive correlation. As for the regression analysis, all five factors show a significance value and indicate a higher beta value. Therefore, these are the determinants factors towards Islamic mortgage inclination.



CHAPTER 5: CONCLUSION AND RECOMMENDATIONS

5.1 Summary of findings

Research findings and analyses of information will be further discussed in this chapter to answer the research questions. Conclusions from the findings are also discussed and followed by recommendations for future research.

First objective is to identify the differences of Islamic mortgage inclination among groups in demographic factors. The result shows profile of the respondents which are gender, age, job specification, monthly income, Islamic housing loan and areas of staying. In addition, the results also show the mean and standard deviation of the model variables. The mean value for the determinants factor of Islamic mortgage inclination is range between 3.50 and 4.50. Based on the result, all values are considered high due to most of the mean value of independent and dependent variables are near 4.

Second objective in this study is to determine the relationships between determinant factor of consumer attitude, perceived risk, service quality, product choice, Islamic debt policy towards Islamic mortgage inclination. The result shows that consumer attitude, perceived risk, service quality, product choice and Islamic debt policy are significant and positively correlated with Islamic mortgage inclination. Thus, the study concludes that there is relationship between consumer attitude, perceived risk, service quality, product choice, Islamic debt policy towards Islamic mortgage inclination.

Third objective is to examine the factors of consumer attitude, perceived risk, service quality, product choice, Islamic debt policy that influence Islamic mortgage inclination.

From the finding, it shows that consumer attitude, perceived risk and product choice are significant towards Islamic mortgage inclination. Therefore, the study concludes that there are relationships between consumer attitude, perceived risk, product choice and towards Islamic mortgage inclination.

5.2 Contribution and Implication of the Study

There are two sections contain in this research, which are theory and policy implications. The theory focuses on the Theory Reasoned Action (TRA) while the policy implications consist of bank management, house developer and communities.

5.2.1 Theoretical Contribution

Theoretical implications have been used in this research to identify factors that determine the factors of Islamic mortgage inclination. This study applied Theory Reasoned Action (TRA) by Fishbein and Azjen (1975) which consisting attitude as the most dominant factor. In this research, consumer attitude is the major factor that gives impact and affecting an individual to use Islamic mortgage financing.

Subsequently, this model has been revised by adding four determinant factors which are perceived risk, service quality, product choice and Islamic debt policy towards Islamic mortgage inclination. Hence, the result shows that consumer attitude, perceived risk and product choice are suitable to determine the factors of Islamic mortgage inclination among civil servants.

5.2.2 Policy Implications

These studies are important to several users. First, Islamic bank management teams will identify the determinants of Islamic mortgage inclination. It is beneficial for banks to improve the banking operations in terms of supervises and handling internal factors effectively and efficiently. Besides, Islamic bank managers are encouraged to give greater emphasis to ensure employees provide the best services to their customers.

Secondly, the bank act as a policy maker should notify the consumer behavior regarding on the risk exposure on the Islamic mortgage. Risks are influencing consumers to purchase a house. The consumers are more attract and tend to choose a financing with a lower risk. If the bank will give lower rate and flat rate on the financing, the risk will low. Hence, it will attract more consumer to use Islamic mortgage due to the lower risk applied.

Finally, the findings provide the following main inputs to Islamic banks for better Islamic mortgage financing facilities. Islamic bank should increase more variety of mortgage products in order for Muslim to choose variety of Islamic mortgage product that suit by their needs. Therefore, the bank must create more innovative Islamic home financing product. The bank should also hold a campaign regarding on promoting the Islamic mortgage product and increase the level of awareness on attitude among consumers.

5.3 Limitations and Recommendations for Future Research

There are two limitations in this research that provide support for future studies. Firstly, this study is limited to certain groups of users in certain locations which are the civil servants from the Kubang Pasu district, Kedah. The finding on the present study could not be disseminated to other groups of users in other geographical locations. Hence, future researcher suggests overcoming this limitation by increasing the sample size to include Alor Setar and Sungai Petani as these districts have many potential of home buyer.

Secondly, future studies should study other determinants factor of Islamic mortgage inclination such as Islamic bank performance and potential of non-Muslims home buyer. These determinants will provide a better explanation for Islamic mortgage inclination. Therefore, this paper fills the gap in literature and also benefits both practitioners and researchers.

In conclusion, the research has been conducted to determine the factors of Islamic Mortgage inclination. Theory Reasoned Action (TRA) is being used in this research and a combination of several determinants. Therefore, the results show that consumer attitude, perceived risk, service quality, product choice and Islamic debt policy are suitable to determine the factors of Islamic mortgage inclination among civil servants.

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APPENDIX A

(Descriptive Statistics)



Variable	Characteristics	Number	Percentage
Gender	Male	166	53.5%
	Female	144	46.5%
Age	18-27 years old	73	23.5%
	28-37 years old	142	45.8%
	38-47 years old	66	21.3%
	48 years old and above	29	9.4%
Job Specification	Senior Officer	14	4.5%
	Officer	30	9.7%
	Assistant Officer	105	33.9%
	Supporting Staff	161	51.9%
Monthly Income	Less than RM 2500	89	28.7%
	RM 2501 – RM 3500	128	41.3%
	RM 3501 – RM 4500	62	20.0%
	RM 4501 – RM 5500	17	5.5%
	RM 5501 – RM 6500	5	1.6%
	RM 6501 – RM 7500	6	1.9%
	More than RM 7500	3	1.0%
Islamic Housing Loan	Yes	145	46.8%
	No	165	53.2%
Area of Staying	Jitra	166	53.5%
	Sintok	22	7.1%
	Changlun	23	7.4%
	Bukit Kayu Hitam	16	5.2%
	Bandar Darul Aman	41	13.2%
	Kodiang	23	7.4%
	Ayer Hitam	19	6.1%
Total		310	100%

APPENDIX B

(Reliability Test)



ISLAMIC MORTGAGE INCLINATION

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.952	4

Item Statistics

	Mean	Std. Deviation	N
IMI8	3.9258	.78269	310
IMI9	3.9419	.79022	310
IMI10	3.9226	.77615	310
IMI11	3.9000	.77146	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
IMI8	11.7645	4.886	.871	.941
IMI9	11.7484	4.856	.871	.941
IMI10	11.7677	4.826	.904	.931
IMI11	11.7903	4.891	.887	.936

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.6903	8.512	2.91757	4

CONSUMER ATTITUDE

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.966	7

Item Statistics

	Mean	Std. Deviation	N
CA12	4.0645	.76896	310
CA13	4.0000	.77167	310
CA14	3.9968	.75684	310
CA15	3.9710	.78154	310
CA16	3.9871	.74162	310
CA17	3.9226	.76353	310
CA18	3.9581	.75568	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
CA12	23.8355	17.439	.890	.960
CA13	23.9000	17.462	.882	.961
CA14	23.9032	17.479	.900	.960
CA15	23.9290	17.458	.870	.962
CA16	23.9129	17.691	.883	.961
CA17	23.9774	17.634	.862	.962
CA18	23.9419	17.647	.871	.962

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
27.9000	23.747	4.87311	7

PERCEIVED RISK

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.946	6

Item Statistics

	Mean	Std. Deviation	N
PR19	3.8226	.74007	310
PR20	3.8806	.70730	310
PR21	3.8355	.72987	310
PR22	3.8226	.69961	310
PR23	3.8258	.70732	310
PR24	3.8355	.72095	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PR19	19.2000	10.432	.751	.945
PR20	19.1419	10.316	.827	.936
PR21	19.1871	10.133	.841	.935
PR22	19.2000	10.154	.881	.930
PR23	19.1968	10.146	.871	.931
PR24	19.1871	10.198	.837	.935

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
23.0226	14.572	3.81737	6

SERVICE QUALITY

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.961	7

Item Statistics

	Mean	Std. Deviation	N
SQ25	3.9968	.76534	310
SQ26	3.9258	.72695	310
SQ27	3.8903	.72019	310
SQ28	3.8484	.70107	310
SQ29	3.8677	.73202	310
SQ30	3.8613	.72191	310
SQ31	3.8516	.72669	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
SQ25	23.2452	15.325	.848	.955
SQ26	23.3161	15.589	.849	.955
SQ27	23.3516	15.724	.832	.956
SQ28	23.3935	15.689	.866	.954
SQ29	23.3742	15.381	.884	.952
SQ30	23.3806	15.499	.875	.953
SQ31	23.3903	15.469	.874	.953

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
27.2419	20.993	4.58182	7

PRODUCT CHOICE

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.950	4

Item Statistics

	Mean	Std. Deviation	N
PC32	3.9903	.75678	310
PC33	3.8903	.73795	310
PC34	3.8935	.72292	310
PC35	3.9581	.75138	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PC32	11.7419	4.399	.849	.944
PC33	11.8419	4.354	.899	.928
PC34	11.8387	4.479	.871	.937
PC35	11.7742	4.305	.897	.929

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.7323	7.666	2.76874	4

ISLAMIC DEBT POLICY

Case Processing Summary

		N	%
Cases	Valid	310	100.0
	Excluded ^a	0	.0
	Total	310	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.955	5

Item Statistics

	Mean	Std. Deviation	N
IDP36	3.9258	.74019	310
IDP37	3.8935	.73623	310
IDP38	3.9000	.74151	310
IDP39	3.8742	.74193	310
IDP40	3.8645	.73803	310

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
IDP36	15.5323	7.538	.860	.946
IDP37	15.5645	7.483	.883	.943
IDP38	15.5581	7.438	.889	.942
IDP39	15.5839	7.461	.881	.943
IDP40	15.5935	7.562	.856	.947

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
19.4581	11.582	3.40329	5

APPENDIX C

(Normality Test)



ISLAMIC MORTGAGE INCLINATION

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Islamic Mortgage Inclination	310	100.0%	0	0.0%	310	100.0%

Descriptives

		Statistic	Std. Error
Islamic Mortgage Inclination	Mean	3.9226	.04143
	95% Confidence Interval for Mean	3.8411	
	Lower Bound		
	Upper Bound	4.0041	
	5% Trimmed Mean	3.9140	
	Median	4.0000	
	Variance	.532	
	Std. Deviation	.72939	
	Minimum	3.00	
	Maximum	5.00	
	Range	2.00	
	Interquartile Range	1.50	
	Skewness	.066	.138
	Kurtosis	-1.290	.276

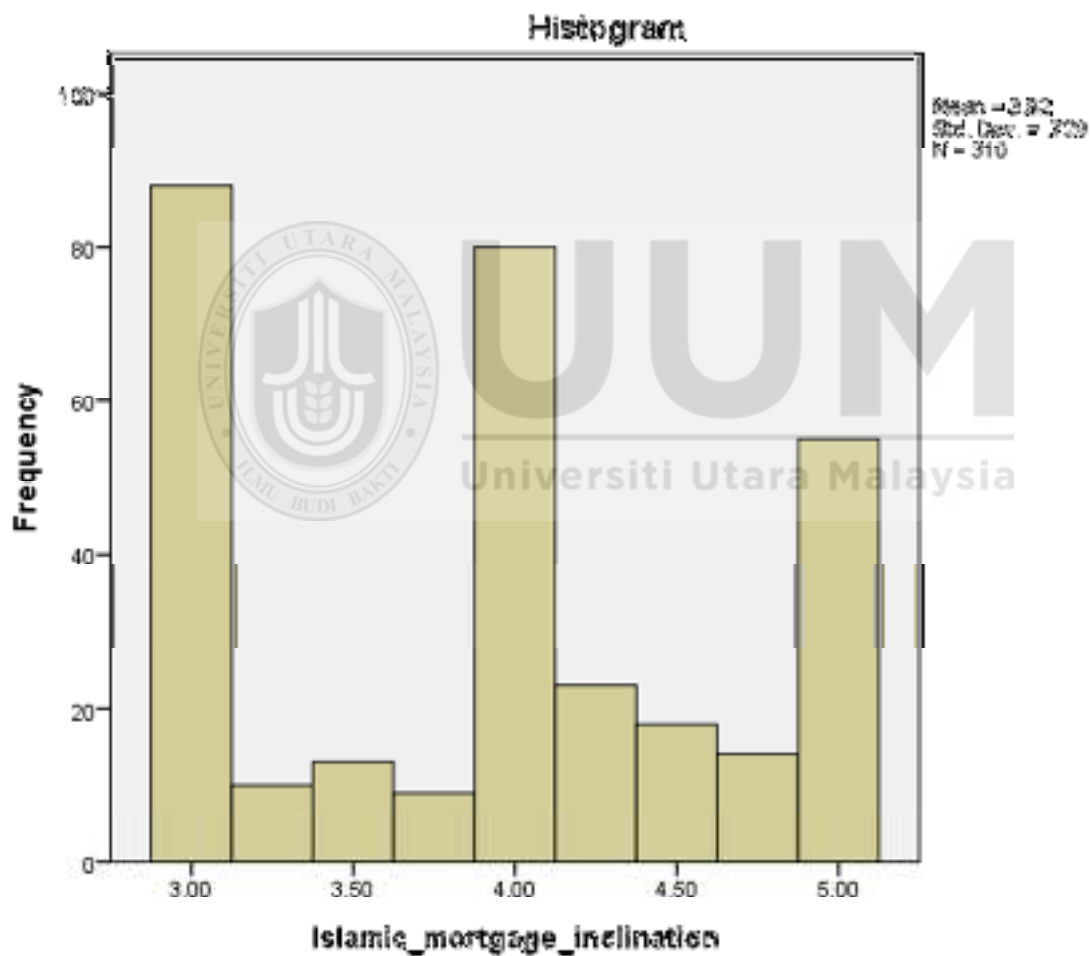
Extreme Values

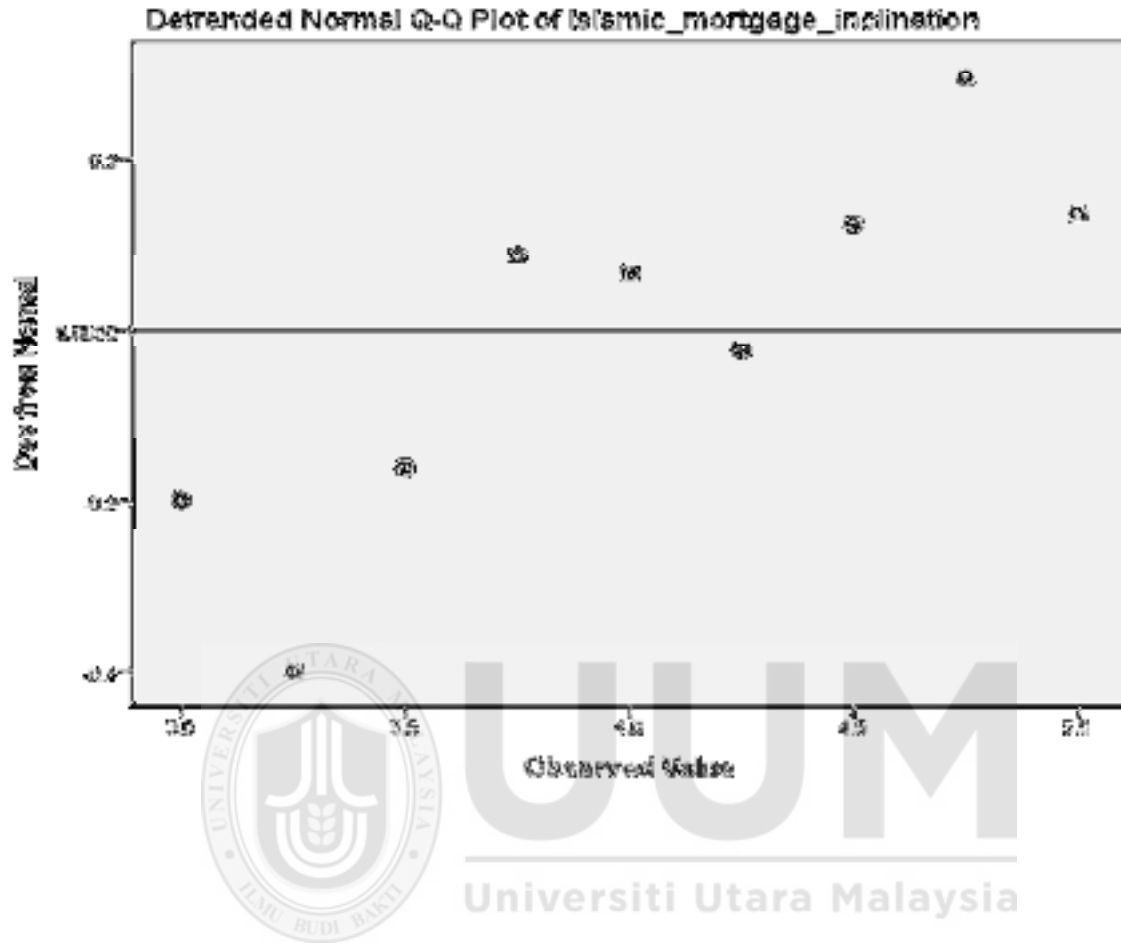
			Case Number	Value
Islamic Mortgage Inclination	Highest	1	29	5.00
		2	30	5.00
		3	31	5.00
		4	54	5.00
		5	82	5.00 ^a
	Lowest	1	247	3.00
		2	244	3.00
		3	243	3.00
		4	241	3.00
		5	240	3.00 ^b

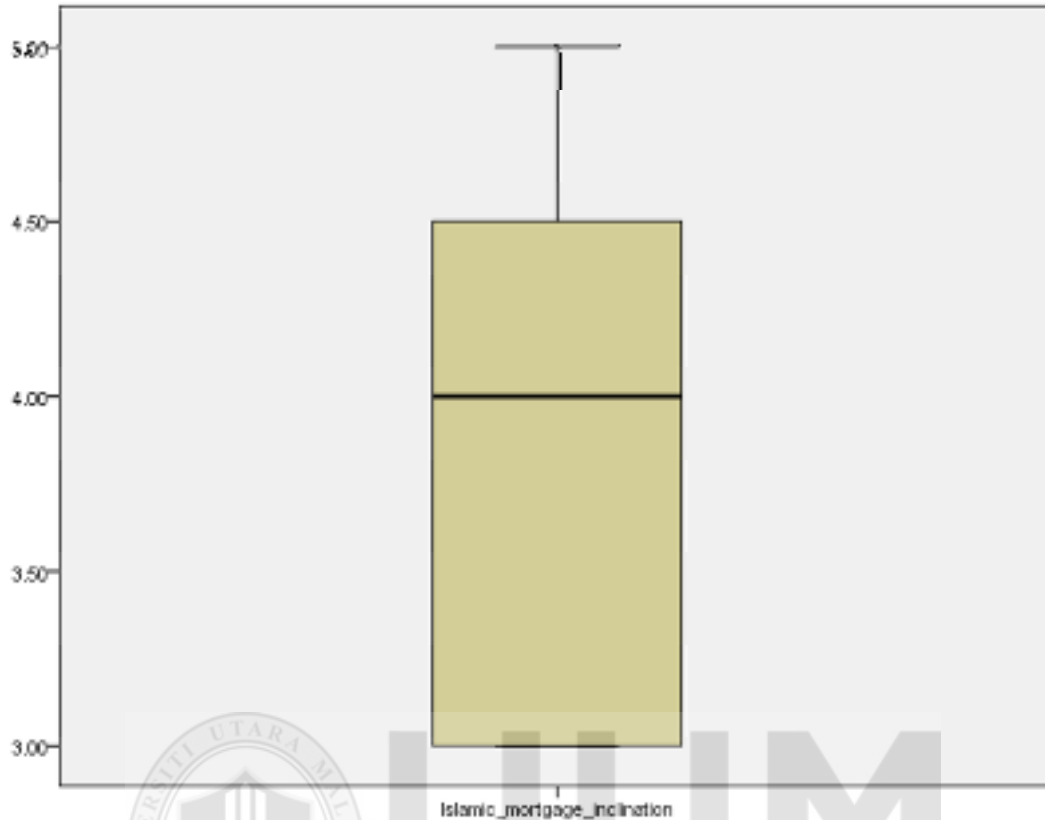
- a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.
- b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Islamic Mortgage Inclination	.181	310	.000	.871	310	.000

a. Lilliefors Significance Correction







CONSUMER ATTITUDE

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Consumer Attitude	310	100.0%	0	0.0%	310	100.0%

Descriptives

			Statistic	Std. Error
Consumer Attitude	Mean		3.9857	.03954
	95% Confidence Interval for Mean	Lower Bound	3.9079	
		Upper Bound	4.0635	
	5% Trimmed Mean		3.9841	
	Median		4.0000	
	Variance		.485	
	Std. Deviation		.69616	
	Minimum		3.00	
	Maximum		5.00	

Range	2.00	
Interquartile Range	1.29	
Skewness	-.056	.138
Kurtosis	-1.182	.276

Extreme Values

			Case Number	Value
Consumer Attitude	Highest	1	29	5.00
		2	30	5.00
		3	31	5.00
		4	54	5.00
		5	82	5.00 ^a
	Lowest	1	247	3.00
		2	241	3.00
		3	240	3.00
		4	239	3.00
		5	238	3.00 ^b

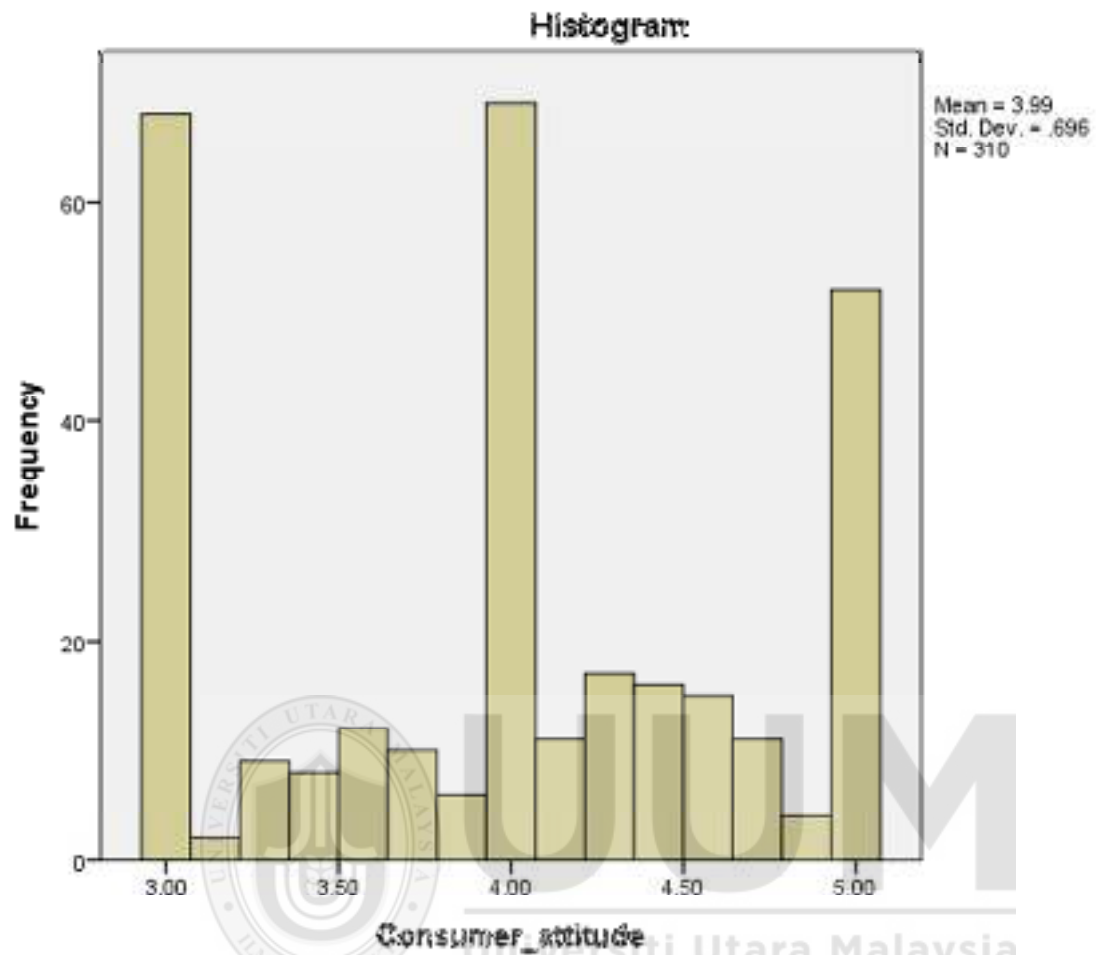
a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.

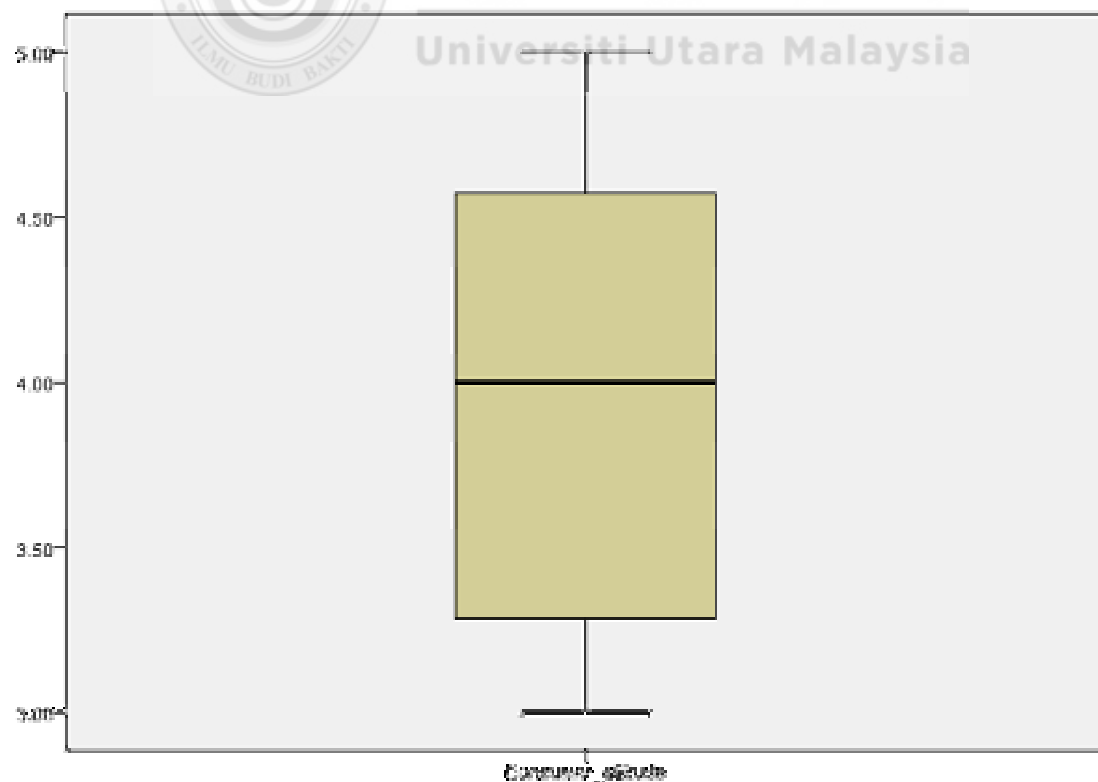
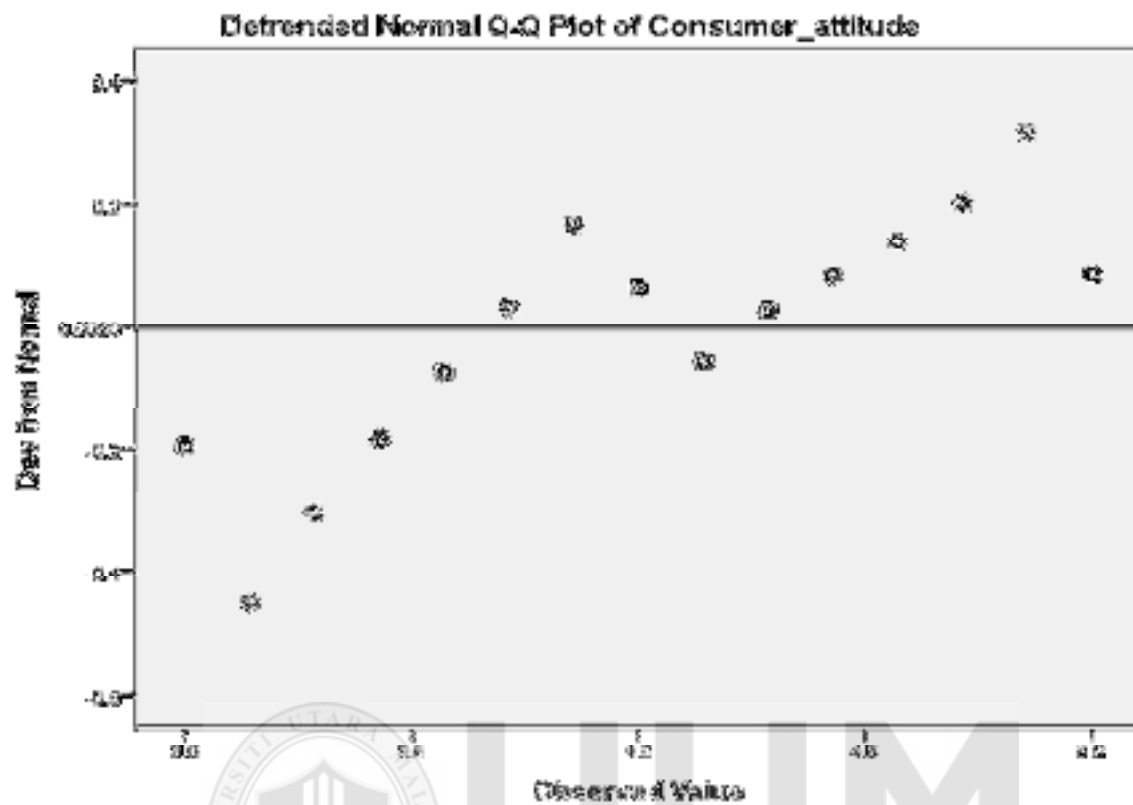
b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Consumer Attitude	.141	310	.000	.900	310	.000

a. Lilliefors Significance Correction





PERCEIVED RISK

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Perceived Risk	310	100.0%	0	0.0%	310	100.0%

Descriptives

		Statistic	Std. Error
Perceived Risk	Mean	3.8371	.03614
	95% Confidence Interval for Mean	Lower Bound 3.7660	
		Upper Bound 3.9082	
	5% Trimmed Mean	3.8190	
	Median	4.0000	
	Variance	.405	
	Std. Deviation	.63623	
	Minimum	3.00	
	Maximum	5.00	
	Range	2.00	
	Interquartile Range	1.00	
	Skewness	.207	.138
	Kurtosis	-.832	.276

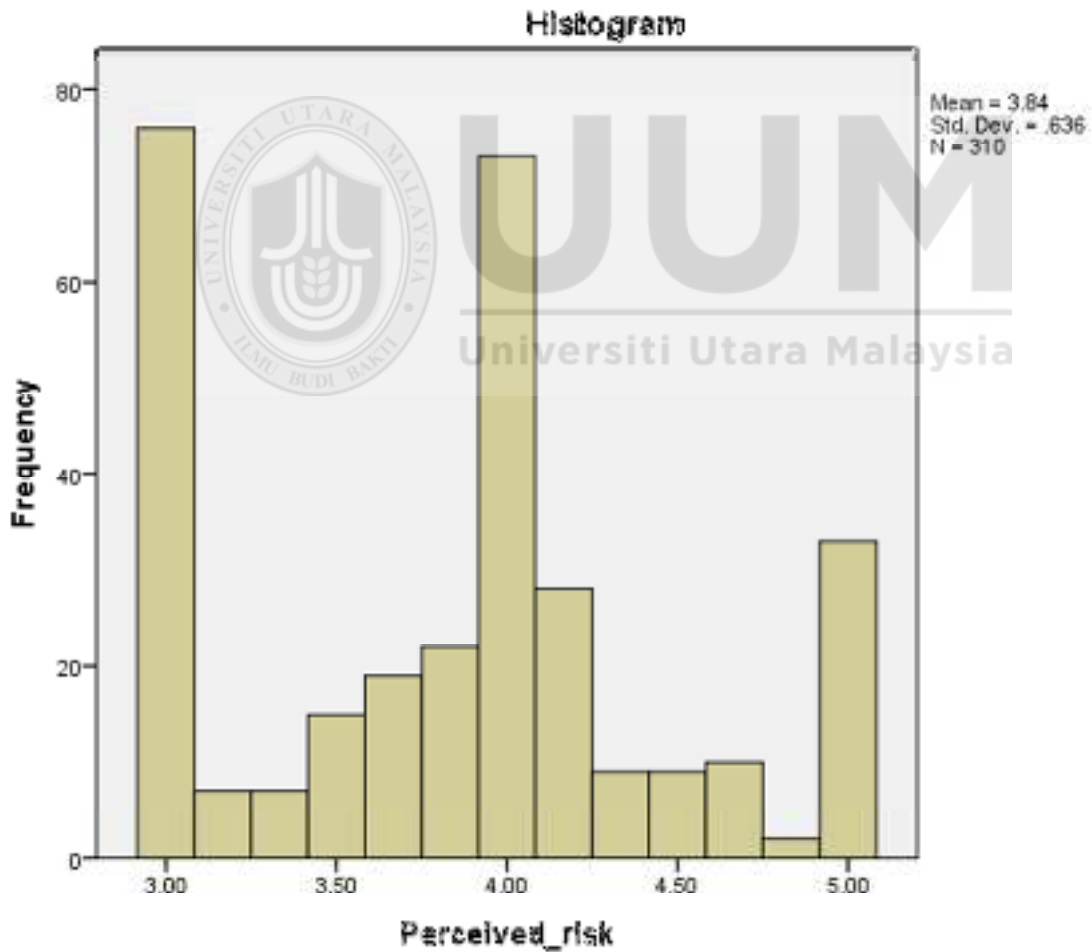
Extreme Values

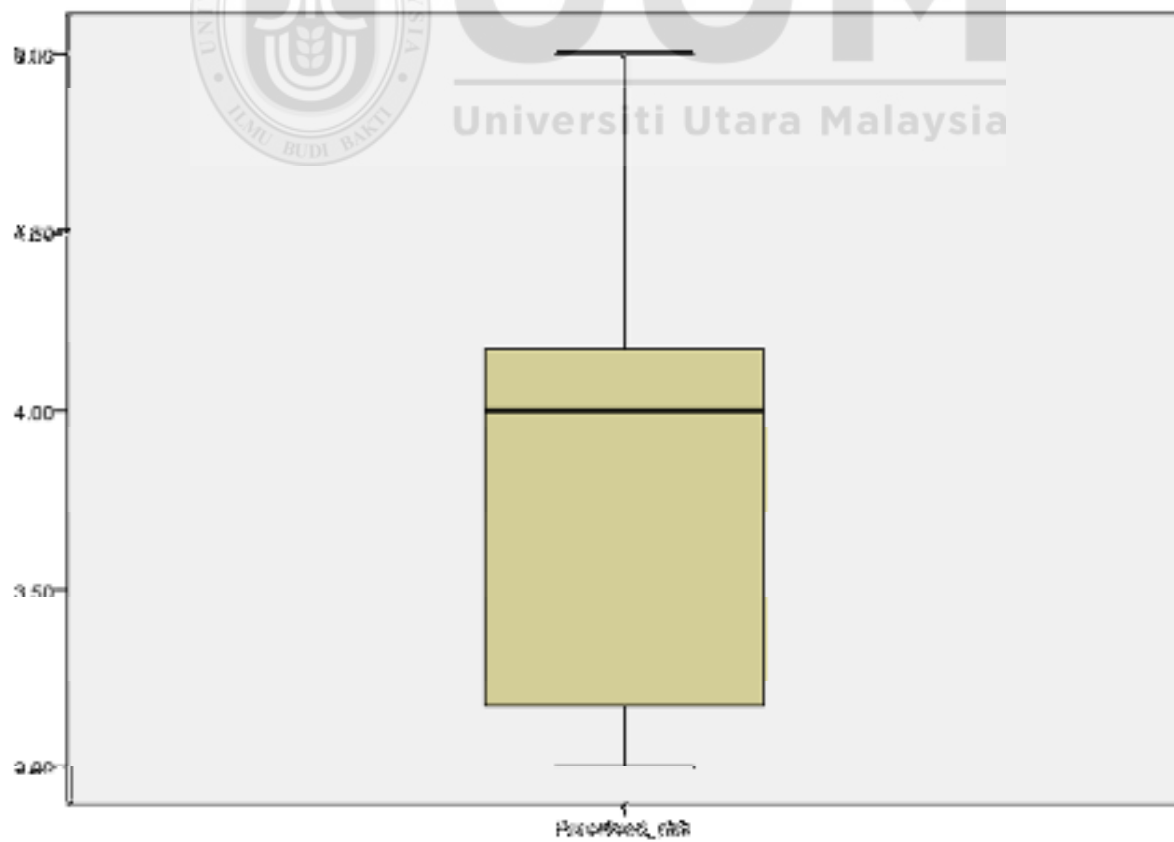
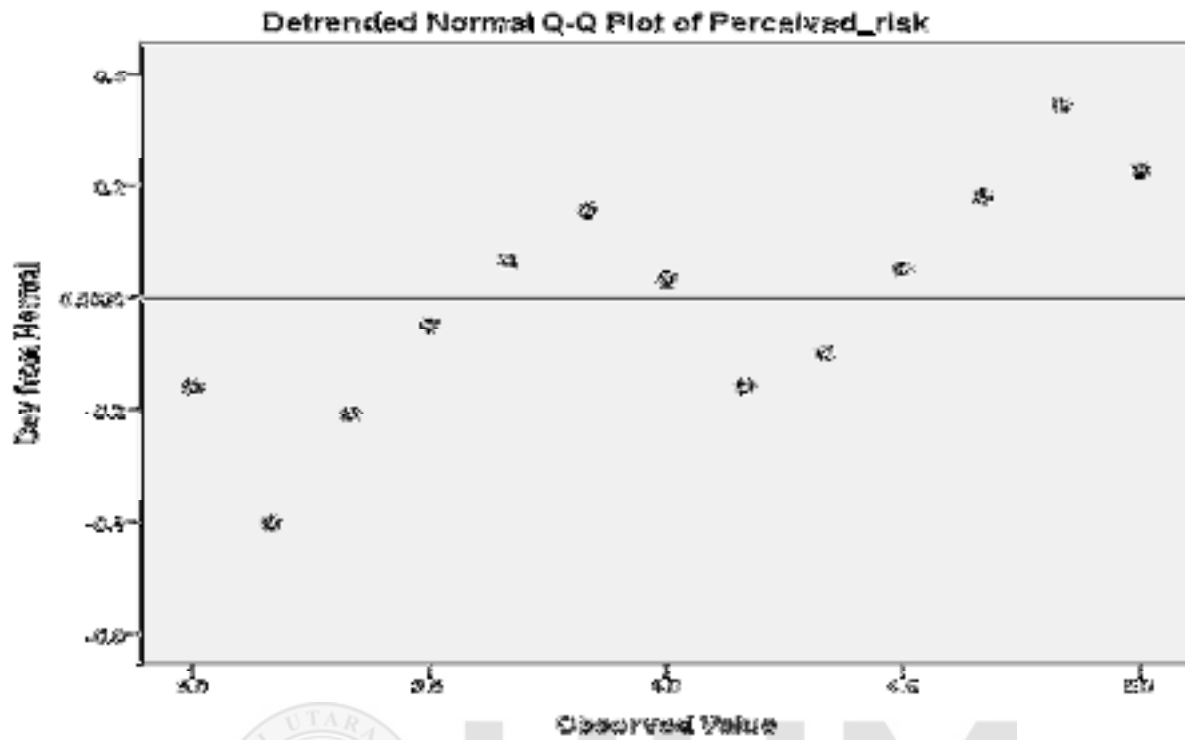
			Case Number	Value
Perceived Risk	Highest	1	29	5.00
		2	30	5.00
		3	31	5.00
		4	101	5.00
		5	113	5.00 ^a
	Lowest	1	247	3.00
		2	241	3.00
		3	240	3.00
		4	234	3.00
		5	224	3.00 ^b

- a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.
- b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Perceived Risk	.151	310	.000	.904	310	.000

a. Lilliefors Significance Correction





SERVICE QUALITY

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Service Quality	310	100.0%	0	0.0%	310	100.0%

Descriptives

		Statistic	Std. Error
Service Quality	Mean	3.8917	.03718
	95% Confidence Interval for Mean	3.8186	
	Lower Bound	3.9649	
	Upper Bound		
	5% Trimmed Mean	3.8797	
	Median	4.0000	
	Variance	.428	
	Std. Deviation	.65455	
	Minimum	3.00	
	Maximum	5.00	
	Range	2.00	
	Interquartile Range	1.14	
	Skewness	-.025	.138
	Kurtosis	-1.119	.276

Extreme Values

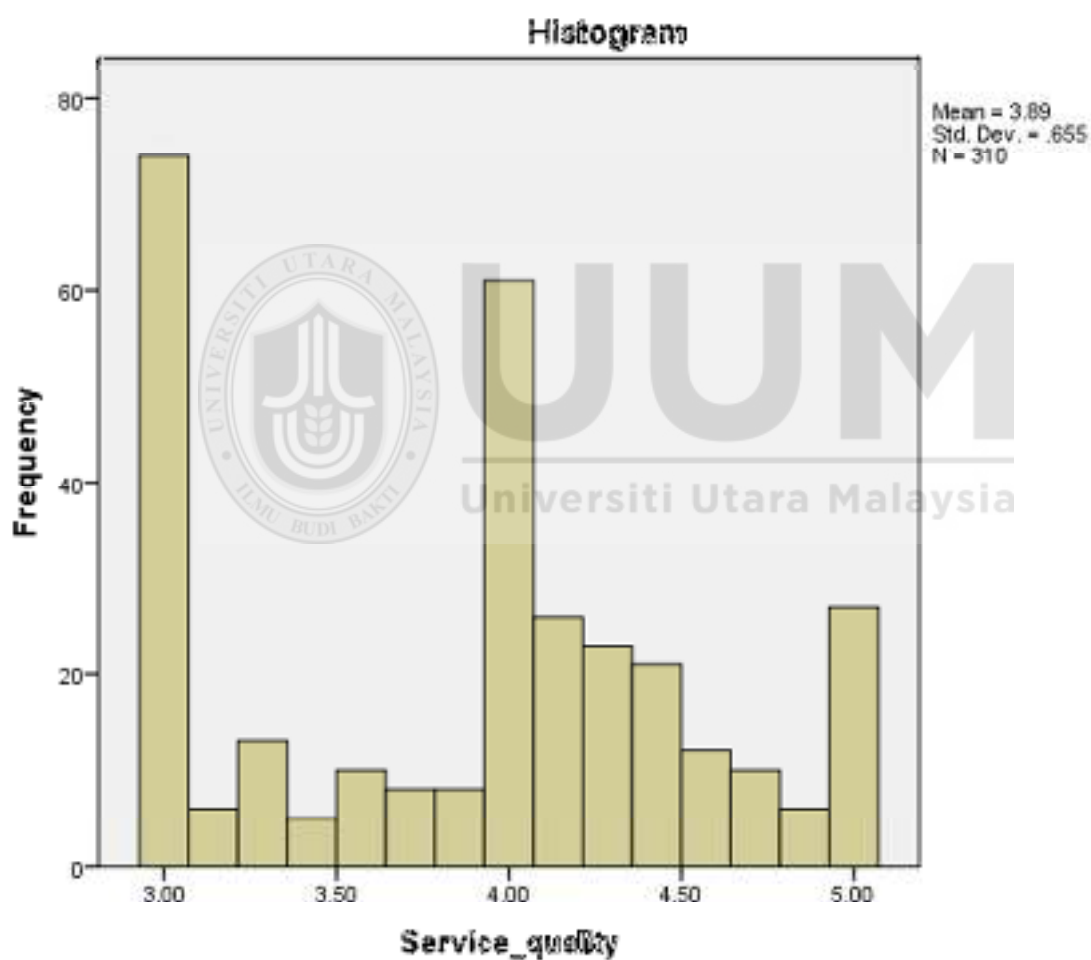
			Case Number	Value
Service Quality	Highest	1	29	5.00
		2	30	5.00
		3	31	5.00
		4	54	5.00
		5	101	5.00 ^a
	Lowest	1	241	3.00
		2	240	3.00
		3	234	3.00
		4	231	3.00
		5	224	3.00 ^b

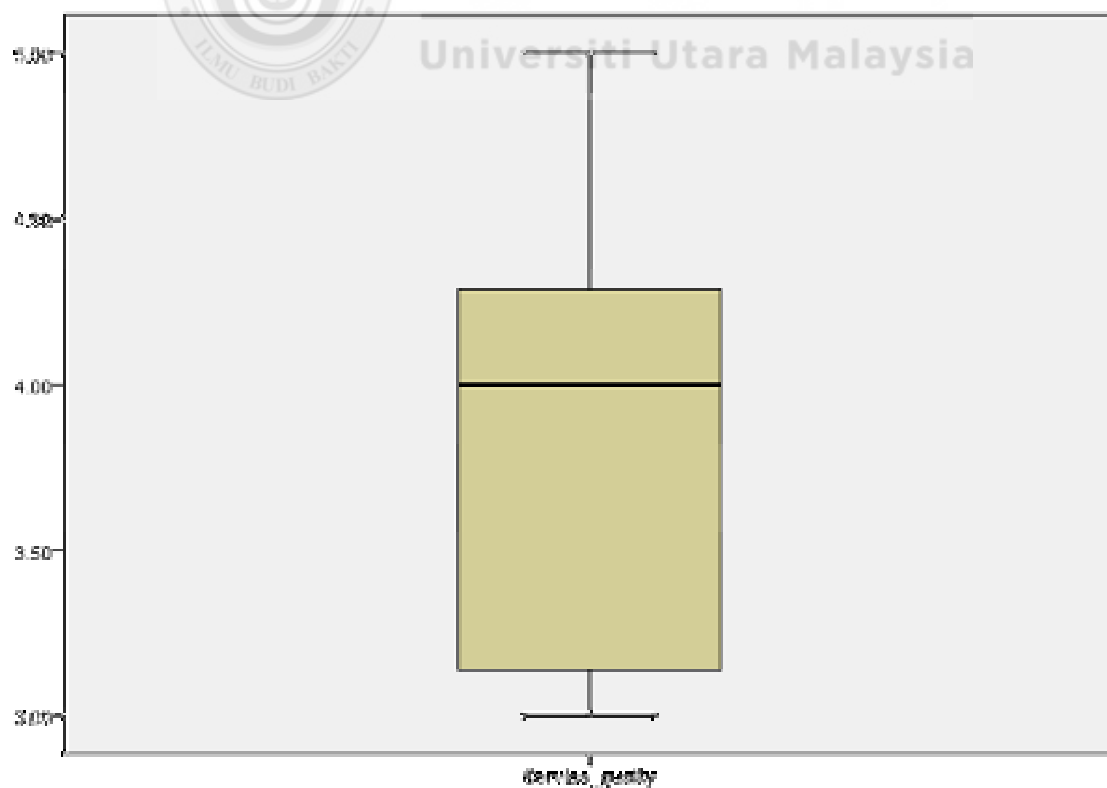
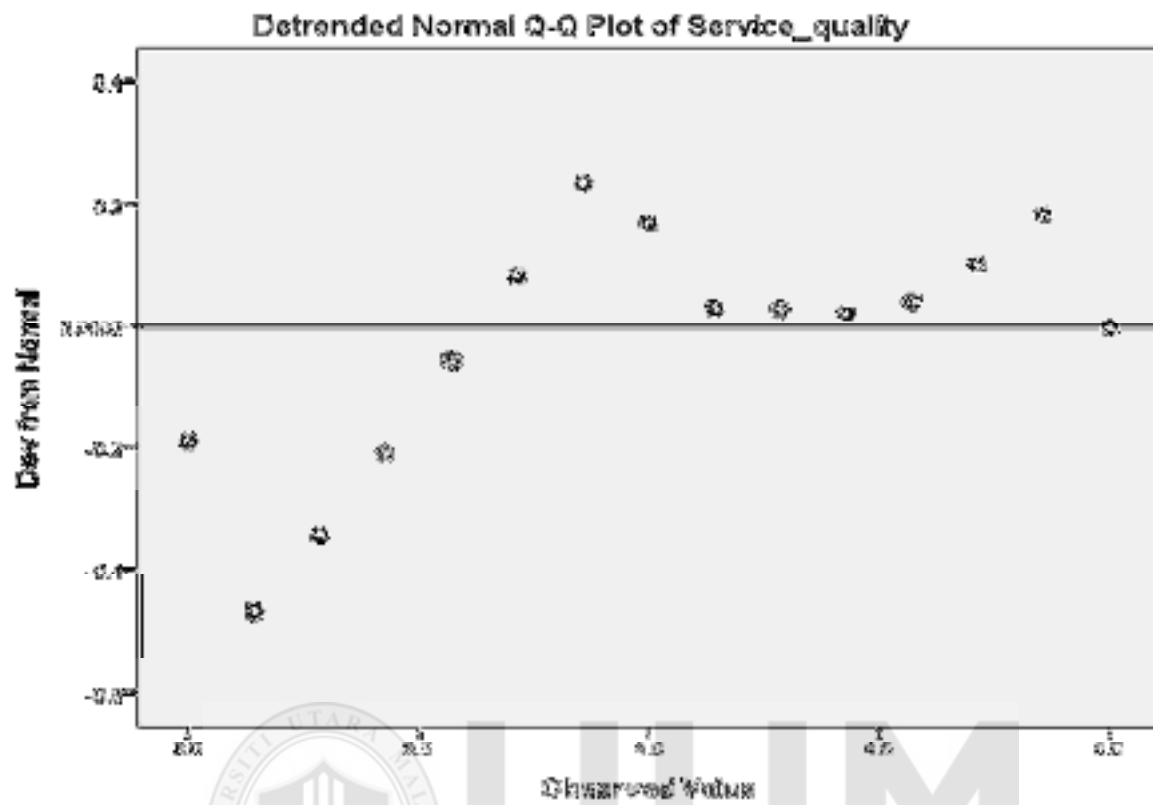
- a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.
- b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Service Quality	.166	310	.000	.906	310	.000

a. Lilliefors Significance Correction





PRODUCT CHOICE

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Product Choice	310	100.0%	0	0.0%	310	100.0%

Descriptives

		Statistic	Std. Error
Product Choice	Mean	3.9331	.03931
	95% Confidence Interval for Mean		
	Lower Bound	3.8557	
	Upper Bound	4.0104	
	5% Trimmed Mean	3.9256	
	Median	4.0000	
	Variance	.479	
	Std. Deviation	.69219	
	Minimum	3.00	
	Maximum	5.00	
	Range	2.00	
	Interquartile Range	1.25	
	Skewness	.062	.138
	Kurtosis	-1.091	.276

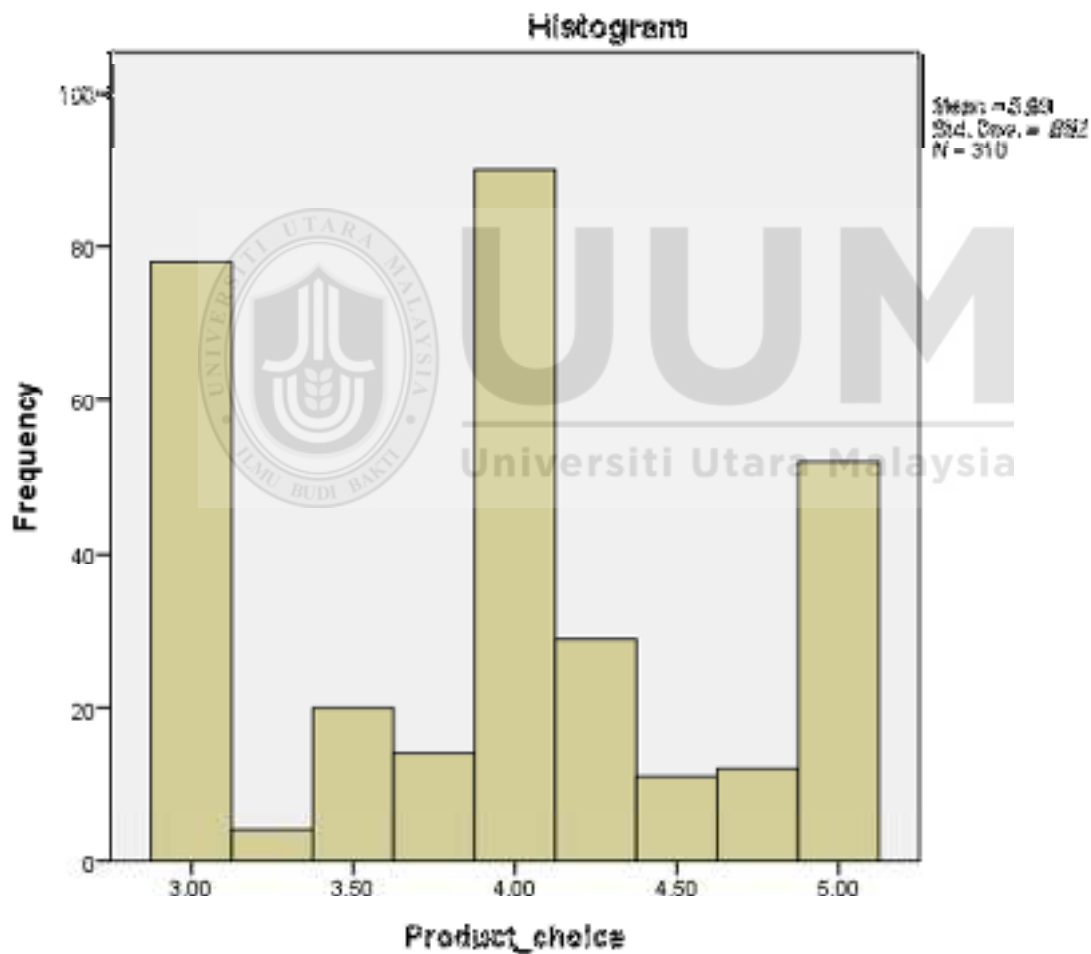
Extreme Values

			Case Number	Value
Product Choice	Highest	1	22	5.00
		2	29	5.00
		3	30	5.00
		4	31	5.00
		5	54	5.00 ^a
	Lowest	1	241	3.00
		2	240	3.00
		3	239	3.00
		4	238	3.00
		5	234	3.00 ^b

- a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.
- b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Product Choice	.164	310	.000	.884	310	.000

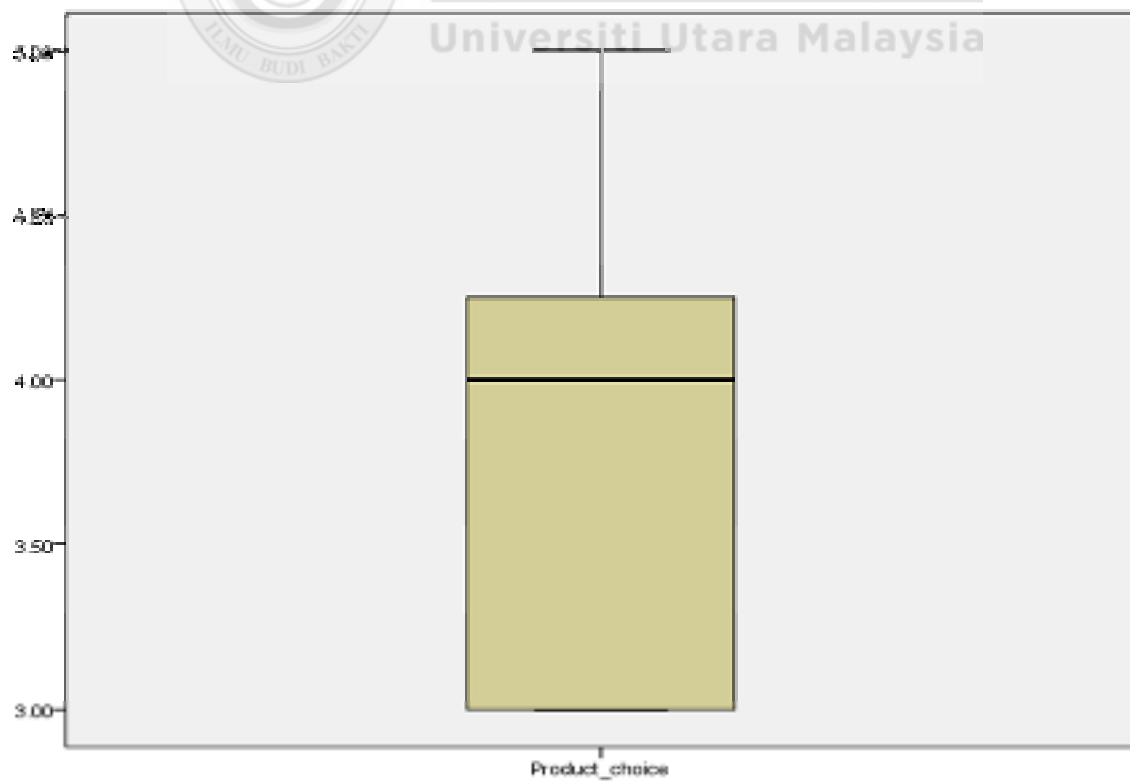
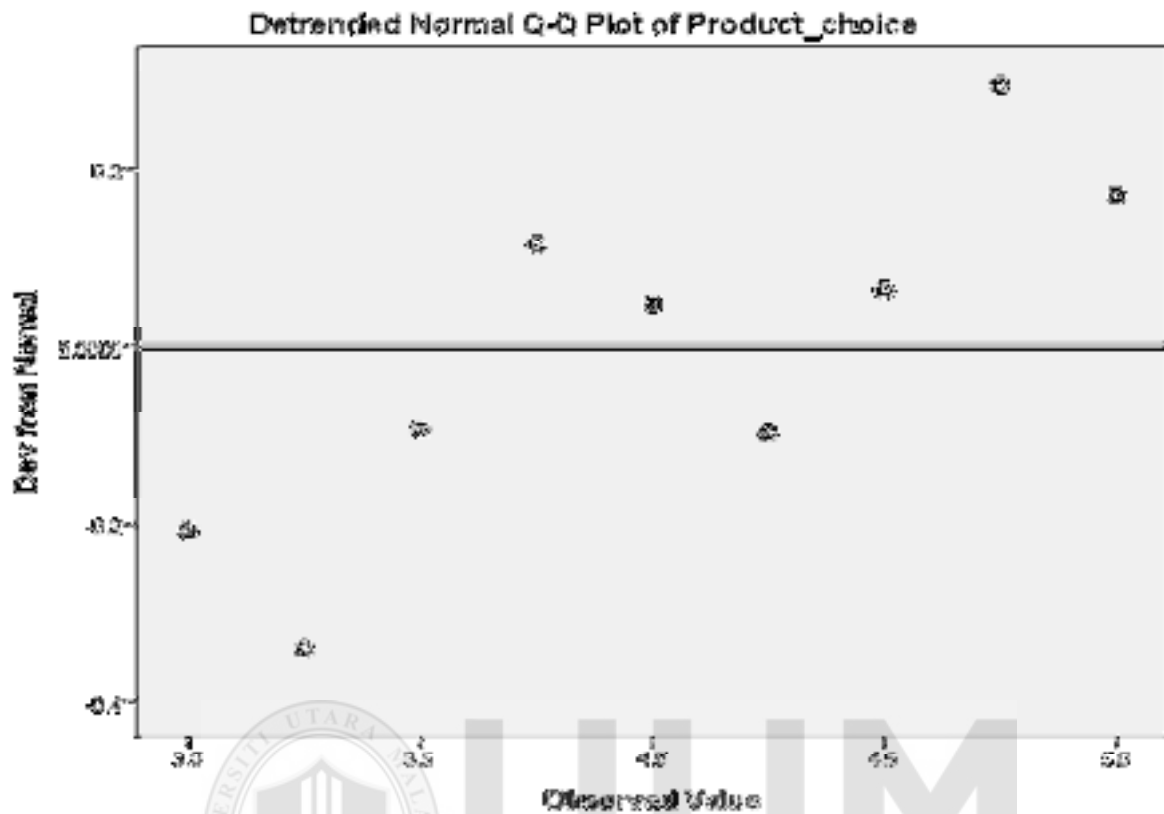
a. Lilliefors Significance Correction



Frequency	Stem & Leaf
1	1 0
1	1 1
1	1 2
1	1 3
1	1 4
1	1 5
1	1 6
1	1 7
1	1 8
1	1 9
1	2 0
1	2 1
1	2 2
1	2 3
1	2 4
1	2 5
1	2 6
1	2 7
1	2 8
1	2 9
1	3 0
1	3 1
1	3 2
1	3 3
1	3 4
1	3 5
1	3 6
1	3 7
1	3 8
1	3 9
1	4 0
1	4 1
1	4 2
1	4 3
1	4 4
1	4 5
1	4 6
1	4 7
1	4 8
1	4 9
1	5 0
1	5 1
1	5 2
1	5 3
1	5 4
1	5 5
1	5 6
1	5 7
1	5 8
1	5 9
1	6 0
1	6 1
1	6 2
1	6 3
1	6 4
1	6 5
1	6 6
1	6 7
1	6 8
1	6 9
1	7 0
1	7 1
1	7 2
1	7 3
1	7 4
1	7 5
1	7 6
1	7 7
1	7 8
1	7 9
1	8 0
1	8 1
1	8 2
1	8 3
1	8 4
1	8 5
1	8 6
1	8 7
1	8 8
1	8 9
1	9 0
1	9 1
1	9 2
1	9 3
1	9 4
1	9 5
1	9 6
1	9 7
1	9 8
1	9 9

Stem width: 1.00
Each leaf: 1 case(s)





ISLAMIC DEBT POLICY

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Islamic Debt Policy	310	100.0%	0	0.0%	310	100.0%

Descriptives

		Statistic	Std. Error
Islamic Debt Policy	Mean	3.8916	.03866
	95% Confidence Interval for Mean	3.8155	
	Lower Bound		
	Upper Bound	3.9677	
	5% Trimmed Mean	3.8796	
	Median	4.0000	
	Variance	.463	
	Std. Deviation	.68066	
	Minimum	3.00	
	Maximum	5.00	
	Range	2.00	
	Interquartile Range	1.40	
	Skewness	.091	.138
	Kurtosis	-1.081	.276

Extreme Values

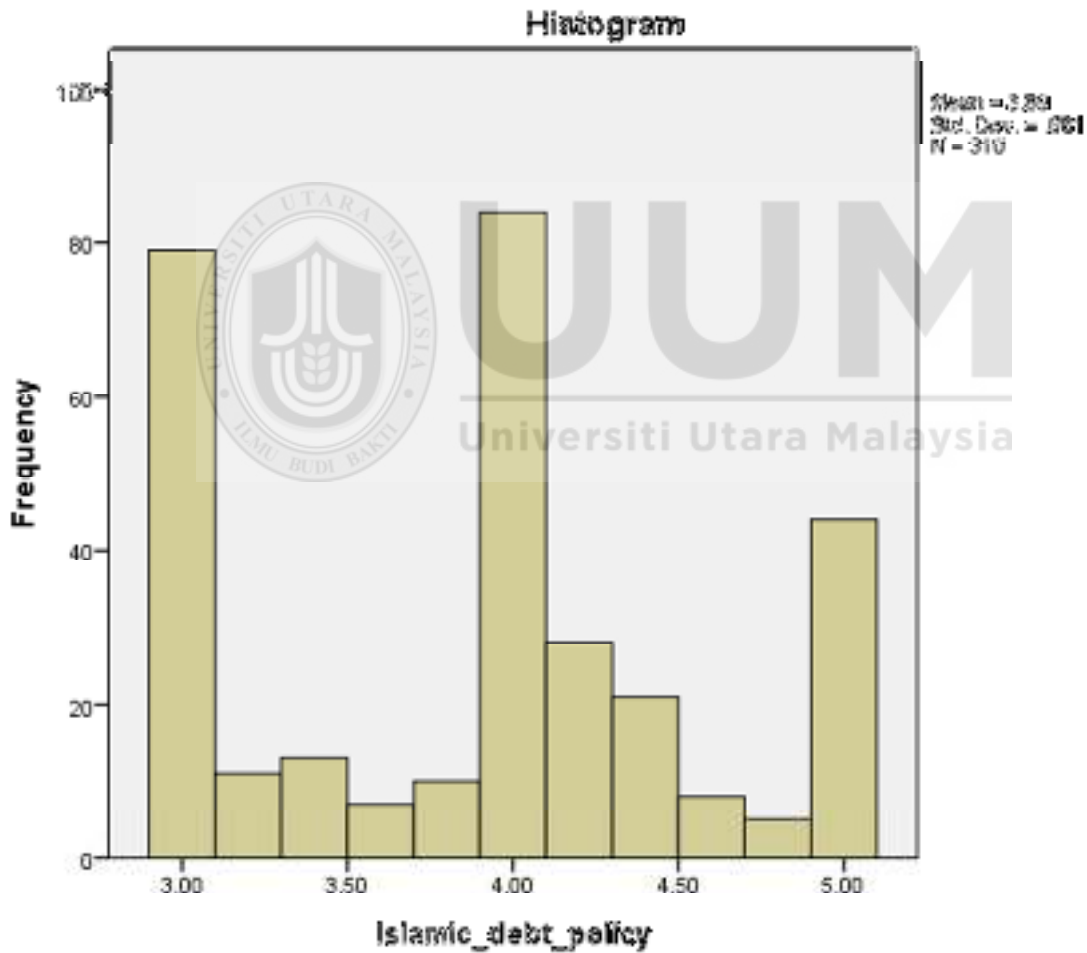
			Case Number	Value
Islamic Debt Policy	Highest	1	29	5.00
		2	30	5.00
		3	31	5.00
		4	82	5.00
		5	101	5.00 ^a
	Lowest	1	241	3.00
		2	240	3.00
		3	239	3.00
		4	238	3.00
		5	234	3.00 ^b

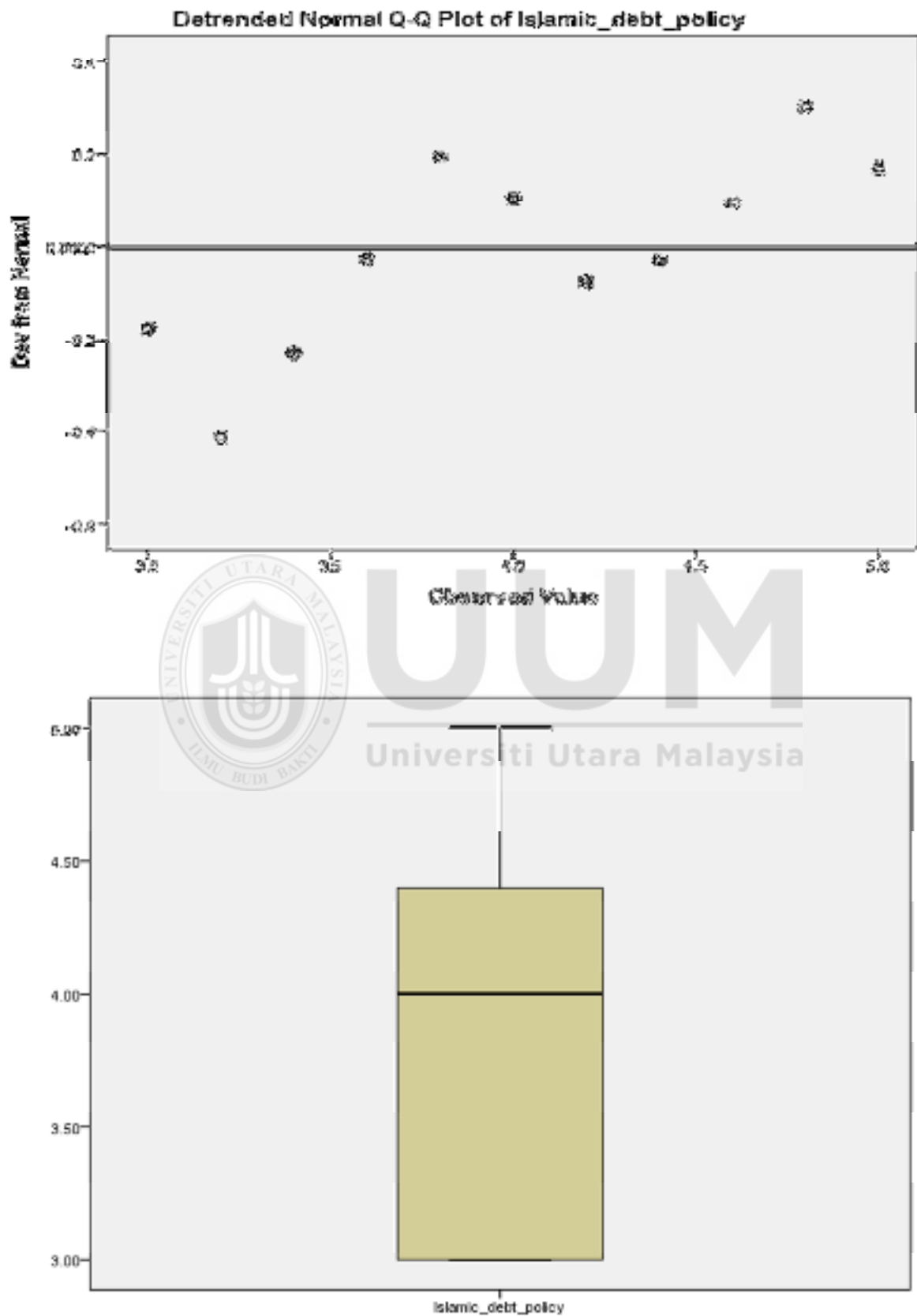
- a. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.
b. Only a partial list of cases with the value 3.00 are shown in the table of lower extremes.

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Islamic Debt Policy	.176	310	.000	.887	310	.000

a. Lilliefors Significance Correction





APPENDIX D

(T-test & One-Way ANOVA)



T-TEST ON GENDER

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Islamic Mortgage Inclination	Male	166	4.0768	.71967	.05586
	Female	144	3.7448	.70181	.05848

Independent Samples Test

		Levene's Test for Equality of Variances				t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Islamic Mortgage Inclination	Equal variances assumed	.029	.865	4.098	308	.000	.33202	.08102	.17260	.49143
	Equal variances not assumed			4.105	303.795	.000	.33202	.08087	.17287	.49116

T-TEST ON ISLAMIC HOUSING LOAN

Group Statistics

	Islamic Housing Loan	N	Mean	Std. Deviation	Std. Error Mean
Islamic Mortgage Inclination	Yes	145	4.4017	.53627	.04453
	No	165	3.5015	.60706	.04726

Independent Samples Test

		Levene's Test for Equality of Variances				t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Islamic Mortgage Inclination	Equal variances assumed	4.464	.035	13.753	308	.000	.90021	.06546	.77141	1.02901
	Equal variances not assumed			13.863	307.990	.000	.90021	.06494	.77243	1.02798

ONE-WAY ANOVA AGE

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-27 years old	73	3.7055	.61286	.07173	3.5625	3.8485	3.00	5.00
28-37 years old	142	3.8944	.73376	.06158	3.7726	4.0161	3.00	5.00
38-47 years old	66	4.0530	.76399	.09404	3.8652	4.2408	3.00	5.00
48 years old and above	29	4.3103	.71855	.13343	4.0370	4.5837	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.795	3	.265	.496	.686
Within Groups	163.597	306	.535		
Total	164.392	309			

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
18-27 years old	73	3.7055	.61286	.07173	3.5625	3.8485	3.00	5.00
28-37 years old	142	3.8944	.73376	.06158	3.7726	4.0161	3.00	5.00
38-47 years old	66	4.0530	.76399	.09404	3.8652	4.2408	3.00	5.00
48 years old and above	29	4.3103	.71855	.13343	4.0370	4.5837	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

Test of Homogeneity of Variances

Islamic Mortgage Inclination

Levene Statistic	df1	df2	Sig.
1.230	3	306	.299

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9.037	3	3.012	5.934	.001
Within Groups	155.355	306	.508		
Total	164.392	309			

POST HOC TEST

Multiple Comparisons

Dependent Variable: Islamic Mortgage Inclination

Tukey HSD

(I) Age	(J) Age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
18-27 years old	28-37 years old	-.18889	.10262	.256	-.4540	.0762
	38-47 years old	-.34755*	.12103	.023	-.6602	-.0349
	48 years old and above	-.60487*	.15640	.001	-1.0089	-.2008
28-37 years old	18-27 years old	.18889	.10262	.256	-.0762	.4540
	38-47 years old	-.15866	.10615	.442	-.4329	.1155
	48 years old and above	-.41598*	.14520	.023	-.7911	-.0409
38-47 years old	18-27 years old	.34755*	.12103	.023	.0349	.6602
	28-37 years old	.15866	.10615	.442	-.1155	.4329
	48 years old and above	-.25731	.15874	.368	-.6674	.1527
48 years old and above	18-27 years old	.60487*	.15640	.001	.2008	1.0089
	28-37 years old	.41598*	.14520	.023	.0409	.7911
	38-47 years old	.25731	.15874	.368	-.1527	.6674

*. The mean difference is significant at the 0.05 level.

HOMOGENEOUS SUBSETS

Islamic Mortgage Inclination

Tukey HSD^{a,b}

Age	N	Subset for alpha = 0.05		
		1	2	3
18-27 years old	73	3.7055		
28-37 years old	142	3.8944	3.8944	
38-47 years old	66		4.0530	4.0530
48 years old and above	29			4.3103
Sig.		.492	.635	.220

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 56.838.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

ONE WAY ANOVA JOB SPECIFICATION

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Senior Officer	14	4.1250	.69856	.18670	3.7217	4.5283	3.00	5.00
Officer	30	3.9500	.81049	.14797	3.6474	4.2526	3.00	5.00
Assistant Officer	105	3.9381	.73852	.07207	3.7952	4.0810	3.00	5.00
Supporting Staff	161	3.8898	.71362	.05624	3.7787	4.0008	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.795	3	.265	.496	.686
Within Groups	163.597	306	.535		
Total	164.392	309			

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Senior Officer	14	4.1250	.69856	.18670	3.7217	4.5283	3.00	5.00
Officer	30	3.9500	.81049	.14797	3.6474	4.2526	3.00	5.00
Assistant Officer	105	3.9381	.73852	.07207	3.7952	4.0810	3.00	5.00
Supporting Staff	161	3.8898	.71362	.05624	3.7787	4.0008	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

Test of Homogeneity of Variances

Islamic Mortgage Inclination

Levene Statistic	df1	df2	Sig.
.839	3	306	.473

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.795	3	.265	.496	.686
Within Groups	163.597	306	.535		
Total	164.392	309			

POST HOC TEST

Multiple Comparisons

Dependent Variable: Islamic Mortgage Inclination

Tukey HSD

(I) Job specification	(J) Job specification	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Senior Officer	Officer	.17500	.23666	.881	-.4363	.7863
	Assistant Officer	.18690	.20804	.806	-.3505	.7243
	Supporting Staff	.23525	.20374	.656	-.2910	.7615
Officer	Senior Officer	-.17500	.23666	.881	-.7863	.4363
	Assistant Officer	.01190	.15137	1.000	-.3791	.4029
	Supporting Staff	.06025	.14540	.976	-.3154	.4359
Assistant Officer	Senior Officer	-.18690	.20804	.806	-.7243	.3505
	Officer	-.01190	.15137	1.000	-.4029	.3791
	Supporting Staff	.04834	.09172	.952	-.1886	.2853

Supporting Staff	Senior Officer	-.23525	.20374	.656	-.7615	.2910
	Officer	-.06025	.14540	.976	-.4359	.3154
	Assistant Officer	-.04834	.09172	.952	-.2853	.1886

HOMOGENEOUS SUBSETS

Islamic Mortgage Inclination

Tukey HSD^{a,b}

Job specification	N	Subset for alpha = 0.05
		1
Supporting Staff	161	3.8898
Assistant Officer	105	3.9381
Officer	30	3.9500
Senior Officer	14	4.1250
Sig.		.557

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 33.196.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

ONE-WAY ANOVA LEVEL OF INCOME

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Less than RM 2500	89	3.5562	.62472	.06622	3.4246	3.6878	3.00	5.00
RM 2501 - RM 3500	128	3.9531	.72752	.06430	3.8259	4.0804	3.00	5.00
RM 3501 - RM 4500	62	4.1089	.69927	.08881	3.9313	4.2865	3.00	5.00
RM 4501 - RM 5500	17	4.4706	.67825	.16450	4.1219	4.8193	3.00	5.00
RM 5501 - RM 6500	5	4.4500	.41079	.18371	3.9399	4.9601	4.00	5.00
RM 6501 - RM 7500	6	4.5000	.41833	.17078	4.0610	4.9390	4.00	5.00
More than RM 7500	3	4.5000	.43301	.25000	3.4243	5.5757	4.25	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	23.716	6	3.953	8.514	.000
Within Groups	140.676	303	.464		
Total	164.392	309			

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Less than RM 2500	89	3.5562	.62472	.06622	3.4246	3.6878	3.00	5.00
RM 2501 - RM 3500	128	3.9531	.72752	.06430	3.8259	4.0804	3.00	5.00
RM 3501 - RM 4500	62	4.1089	.69927	.08881	3.9313	4.2865	3.00	5.00
RM 4501 - RM 5500	17	4.4706	.67825	.16450	4.1219	4.8193	3.00	5.00
RM 5501 - RM 6500	5	4.4500	.41079	.18371	3.9399	4.9601	4.00	5.00
RM 6501 - RM 7500	6	4.5000	.41833	.17078	4.0610	4.9390	4.00	5.00
More than RM 7500	3	4.5000	.43301	.25000	3.4243	5.5757	4.25	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

Test of Homogeneity of Variances

Islamic Mortgage Inclination

Levene Statistic	df1	df2	Sig.
1.109	6	303	.357

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	23.716	6	3.953	8.514	.000
Within Groups	140.676	303	.464		
Total	164.392	309			

POST HOC TEST

Multiple Comparisons

Dependent Variable: Islamic Mortgage Inclination

Tukey HSD

(I) Monthly Income	(J) Monthly Income	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Less than RM 2500	RM 2501 - RM 3500	-.39695*	.09404	.001	-.6761	-.1178
	RM 3501 - RM 4500	-.55269*	.11272	.000	-.8873	-.2181
	RM 4501 - RM 5500	-.91441*	.18035	.000	-1.4497	-.3791
	RM 5501 - RM 6500	-.89382	.31316	.068	-1.8234	.0357
	RM 6501 - RM 7500	-.94382*	.28740	.019	-1.7969	-.0908
	More than RM 7500	-.94382	.39997	.220	-2.1310	.2434
RM 2501 - RM 3500	Less than RM 2500	.39695*	.09404	.001	.1178	.6761
	RM 3501 - RM 4500	-.15575	.10543	.758	-.4687	.1572
	RM 4501 - RM 5500	-.51746	.17589	.054	-1.0396	.0046
	RM 5501 - RM 6500	-.49688	.31062	.683	-1.4189	.4251
	RM 6501 - RM 7500	-.54688	.28462	.468	-1.3917	.2979
	More than RM 7500	-.54688	.39798	.815	-1.7282	.6344
RM 3501 - RM 4500	Less than RM 2500	.55269*	.11272	.000	.2181	.8873
	RM 2501 - RM 3500	.15575	.10543	.758	-.1572	.4687
	RM 4501 - RM 5500	-.36172	.18654	.456	-.9154	.1920
	RM 5501 - RM 6500	-.34113	.31677	.934	-1.2814	.5991
	RM 6501 - RM 7500	-.39113	.29132	.831	-1.2558	.4736
	More than RM 7500	-.39113	.40280	.960	-1.5867	.8045
RM 4501 - RM 5500	Less than RM 2500	.91441*	.18035	.000	.3791	1.4497
	RM 2501 - RM 3500	.51746	.17589	.054	-.0046	1.0396
	RM 3501 - RM 4500	.36172	.18654	.456	-.1920	.9154
	RM 5501 - RM 6500	.02059	.34665	1.000	-1.0084	1.0495
	RM 6501 - RM 7500	-.02941	.32356	1.000	-.9898	.9310
	More than RM 7500	-.02941	.42670	1.000	-1.2960	1.2371
RM 5501 - RM 6500	Less than RM 2500	.89382	.31316	.068	-.0357	1.8234
	RM 2501 - RM 3500	.49688	.31062	.683	-.4251	1.4189
	RM 3501 - RM 4500	.34113	.31677	.934	-.5991	1.2814
	RM 4501 - RM 5500	-.02059	.34665	1.000	-1.0495	1.0084
	RM 6501 - RM 7500	-.05000	.41260	1.000	-1.2747	1.1747
	More than RM 7500	-.05000	.49761	1.000	-1.5270	1.4270
RM 6501 - RM 7500	Less than RM 2500	.94382*	.28740	.019	.0908	1.7969

	RM 2501 - RM 3500	.54688	.28462	.468	-.2979	1.3917
	RM 3501 - RM 4500	.39113	.29132	.831	-.4736	1.2558
	RM 4501 - RM 5500	.02941	.32356	1.000	-.9310	.9898
	RM 5501 - RM 6500	.05000	.41260	1.000	-1.1747	1.2747
	More than RM 7500	.00000	.48181	1.000	-1.4301	1.4301
More than RM 7500	Less than RM 2500	.94382	.39997	.220	-.2434	2.1310
	RM 2501 - RM 3500	.54688	.39798	.815	-.6344	1.7282
	RM 3501 - RM 4500	.39113	.40280	.960	-.8045	1.5867
	RM 4501 - RM 5500	.02941	.42670	1.000	-1.2371	1.2960
	RM 5501 - RM 6500	.05000	.49761	1.000	-1.4270	1.5270
	RM 6501 - RM 7500	.00000	.48181	1.000	-1.4301	1.4301

*. The mean difference is significant at the 0.05 level.

HOMOGENEOUS SUBSETS

Islamic Mortgage Inclination

Tukey HSD^{a,b}

Monthly Income	N	Subset for alpha = 0.05
		1
Less than RM 2500	89	3.5562
RM 2501 - RM 3500	128	3.9531
RM 3501 - RM 4500	62	4.1089
RM 5501 - RM 6500	5	4.4500
RM 4501 - RM 5500	17	4.4706
RM 6501 - RM 7500	6	4.5000
More than RM 7500	3	4.5000
Sig.		.059

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 8.816.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.

ONE-WAY ANOVA AREA OF STAYING

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Jitra	166	3.9142	.74504	.05783	3.8000	4.0283	3.00	5.00
Sintok	22	3.9659	.71670	.15280	3.6481	4.2837	3.00	5.00
Changlun	23	4.0217	.67383	.14050	3.7304	4.3131	3.00	5.00
Bukit Kayu Hitam	16	4.1563	.59073	.14768	3.8415	4.4710	3.00	5.00
Bandar Darul Aman	41	3.9024	.80210	.12527	3.6493	4.1556	3.00	5.00
Kodiang	23	3.7609	.66349	.13835	3.4740	4.0478	3.00	5.00
Ayer Hitam	19	3.8684	.72824	.16707	3.5174	4.2194	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.827	6	.304	.567	.756
Within Groups	162.565	303	.537		
Total	164.392	309			

Descriptives

Islamic Mortgage Inclination

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Mean			
					Lower Bound	Upper Bound		
Jitra	166	3.9142	.74504	.05783	3.8000	4.0283	3.00	5.00
Sintok	22	3.9659	.71670	.15280	3.6481	4.2837	3.00	5.00
Changlun	23	4.0217	.67383	.14050	3.7304	4.3131	3.00	5.00
Bukit Kayu Hitam	16	4.1563	.59073	.14768	3.8415	4.4710	3.00	5.00
Bandar Darul Aman	41	3.9024	.80210	.12527	3.6493	4.1556	3.00	5.00
Kodiang	23	3.7609	.66349	.13835	3.4740	4.0478	3.00	5.00
Ayer Hitam	19	3.8684	.72824	.16707	3.5174	4.2194	3.00	5.00
Total	310	3.9226	.72939	.04143	3.8411	4.0041	3.00	5.00

Test of Homogeneity of Variances

Islamic Mortgage Inclination

Levene Statistic	df1	df2	Sig.
.909	6	303	.489

ANOVA

Islamic Mortgage Inclination

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.827	6	.304	.567	.756
Within Groups	162.565	303	.537		
Total	164.392	309			

POST HOC TEST

Multiple Comparisons

Dependent Variable: Islamic Mortgage Inclination

Tukey HSD

(I) Area of staying	(J) Area of staying	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Jitra	Sintok	-.05175	.16619	1.000	-.5451	.4415
	Changlun	-.10758	.16297	.995	-.5913	.3762
	Bukit Kayu Hitam	-.24209	.19174	.868	-.8112	.3270
	Bandar Darul Aman	.01172	.12774	1.000	-.3675	.3909
	Kodiang	.15329	.16297	.966	-.3304	.6370
	Ayer Hitam	.04574	.17740	1.000	-.4808	.5723
Sintok	Jitra	.05175	.16619	1.000	-.4415	.5451
	Changlun	-.05583	.21844	1.000	-.7042	.5925
	Bukit Kayu Hitam	-.19034	.24067	.986	-.9047	.5240
	Bandar Darul Aman	.06347	.19358	1.000	-.5111	.6381
	Kodiang	.20504	.21844	.966	-.4433	.8534
	Ayer Hitam	.09749	.22940	1.000	-.5834	.7784
Changlun	Jitra	.10758	.16297	.995	-.3762	.5913
	Sintok	.05583	.21844	1.000	-.5925	.7042
	Bukit Kayu Hitam	-.13451	.23845	.998	-.8423	.5733
	Bandar Darul Aman	.11930	.19082	.996	-.4471	.6857
	Kodiang	.26087	.21599	.891	-.3803	.9020
	Ayer Hitam	.15332	.22708	.994	-.5207	.8273

Bukit Kayu Hitam	Jitra	.24209	.19174	.868	-.3270	.8112
	Sintok	.19034	.24067	.986	-.5240	.9047
	Changlun	.13451	.23845	.998	-.5733	.8423
	Bandar Darul Aman	.25381	.21591	.903	-.3871	.8947
	Kodiang	.39538	.23845	.644	-.3124	1.1032
	Ayer Hitam	.28783	.24854	.909	-.4499	1.0256
Bandar Darul Aman	Jitra	-.01172	.12774	1.000	-.3909	.3675
	Sintok	-.06347	.19358	1.000	-.6381	.5111
	Changlun	-.11930	.19082	.996	-.6857	.4471
	Bukit Kayu Hitam	-.25381	.21591	.903	-.8947	.3871
	Kodiang	.14157	.19082	.990	-.4248	.7080
	Ayer Hitam	.03402	.20328	1.000	-.5694	.6374
Kodiang	Jitra	-.15329	.16297	.966	-.6370	.3304
	Sintok	-.20504	.21844	.966	-.8534	.4433
	Changlun	-.26087	.21599	.891	-.9020	.3803
	Bukit Kayu Hitam	-.39538	.23845	.644	-1.1032	.3124
	Bandar Darul Aman	-.14157	.19082	.990	-.7080	.4248
	Ayer Hitam	-.10755	.22708	.999	-.7816	.5665
Ayer Hitam	Jitra	-.04574	.17740	1.000	-.5723	.4808
	Sintok	-.09749	.22940	1.000	-.7784	.5834
	Changlun	-.15332	.22708	.994	-.8273	.5207
	Bukit Kayu Hitam	-.28783	.24854	.909	-1.0256	.4499
	Bandar Darul Aman	-.03402	.20328	1.000	-.6374	.5694
	Kodiang	.10755	.22708	.999	-.5665	.7816

HOMOGENEOUS SUBSET

Islamic Mortgage Inclination

Tukey HSD^{a,b}

Area of staying	N	Subset for alpha = 0.05
		1
Kodiang	23	3.7609
Ayer Hitam	19	3.8684
Bandar Darul Aman	41	3.9024
Jitra	166	3.9142
Sintok	22	3.9659
Changlun	23	4.0217
Bukit Kayu Hitam	16	4.1563
Sig.		.472

Means for groups in homogeneous subsets are displayed.

a. Uses Harmonic Mean Sample Size = 25.184.

b. The group sizes are unequal. The harmonic mean of the group sizes is used. Type I error levels are not guaranteed.



APPENDIX E

(Pearson Correlation)



Correlations

		Islamic Mortgage Inclination	Consumer Attitude	Perceiv ed Risk	Service Quality	Product Choice	Islamic Debt Policy
Islamic Mortgage Inclination	Pearson Correlation	1	.802**	.768**	.758**	.715**	.712**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	310	310	310	310	310	310
Consumer Attitude	Pearson Correlation	.802**	1	.777**	.781**	.701**	.731**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	310	310	310	310	310	310
Perceived Risk	Pearson Correlation	.768**	.777**	1	.806**	.746**	.758**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	310	310	310	310	310	310
Service Quality	Pearson Correlation	.758**	.781**	.806**	1	.836**	.855**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	310	310	310	310	310	310
Product Choice	Pearson Correlation	.715**	.701**	.746**	.836**	1	.837**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	310	310	310	310	310	310
Islamic Debt Policy	Pearson Correlation	.712**	.731**	.758**	.855**	.837**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	310	310	310	310	310	310

** . Correlation is significant at the 0.01 level (2-tailed).

APPENDIX F

(Multiple Linear Regression)



Descriptive Statistics

	Mean	Std. Deviation	N
Islamic Mortgage Inclination	3.9226	.72939	310
Consumer Attitude	3.9857	.69616	310
Perceived Risk	3.8371	.63623	310
Service Quality	3.8917	.65455	310
Product Choice	3.9331	.69219	310
Islamic Debt Policy	3.8916	.68066	310

Correlations

		Islamic Mortgage Inclination	Consumer Attitude	Perceived Risk	Service Quality	Product Choice	Islamic Debt Policy
Pearson Correlation	Islamic Mortgage Inclination	1.000	.802	.768	.758	.715	.712
	Consumer Attitude	.802	1.000	.777	.781	.701	.731
	Perceived Risk	.768	.777	1.000	.806	.746	.758
	Service Quality	.758	.781	.806	1.000	.836	.855
	Product Choice	.715	.701	.746	.836	1.000	.837
	Islamic Debt Policy	.712	.731	.758	.855	.837	1.000
Sig. (1-tailed)	Islamic Mortgage Inclination	.	.000	.000	.000	.000	.000
	Consumer Attitude	.000	.	.000	.000	.000	.000
	Perceived Risk	.000	.000	.	.000	.000	.000
	Service Quality	.000	.000	.000	.	.000	.000
	Product Choice	.000	.000	.000	.000	.	.000
	Islamic Debt Policy	.000	.000	.000	.000	.000	.
N	Islamic Mortgage Inclination	310	310	310	310	310	310
	Consumer Attitude	310	310	310	310	310	310
	Perceived Risk	310	310	310	310	310	310
	Service Quality	310	310	310	310	310	310
	Product Choice	310	310	310	310	310	310
	Islamic Debt Policy	310	310	310	310	310	310

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Islamic Debt Policy, Consumer Attitude, Perceived Risk, Product Choice, Service Quality ^b		Enter

a. Dependent Variable: Islamic Mortgage Inclination

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.845 ^a	.714	.709	.39318

a. Predictors: (Constant), Islamic debt policy, consumer attitude, perceived risk, product choice, services quality

b. Dependent Variable: Islamic Mortgage Inclination

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	117.396	5	23.479	151.877	.000 ^b
	Residual	46.996	304	.155		
	Total	164.392	309			

a. Dependent Variable: Islamic Mortgage Inclination

b. Predictors: (Constant), Islamic debt policy, consumer attitude, perceived risk, product choice, service quality

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error				Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	Vif
1 (Constant)	.005	.146		.035	.972	-.282	.292					
Consumer Attitude	.452	.057	.431	7.992	.000	.341	.563	.802	.417	.245	.323	3.096
Perceived Risk	.270	.066	.235	4.075	.000	.139	.400	.768	.228	.125	.282	3.544
Service Quality	.114	.082	.102	1.396	.164	-.047	.275	.758	.080	.043	.175	5.705
Product Choice	.148	.066	.141	2.252	.025	.019	.278	.715	.128	.069	.240	4.161
Islamic Debt Policy	.014	.071	.013	.197	.844	-.126	.154	.712	.011	.006	.213	4.692

a. Dependent Variable : Islamic Mortgage Inclination

Collinearity Diagnostics^a

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions					
				(Constant)	Consumer Attitude	Perceived Risk	Service Quality	Product Choice	Islamic Debt Policy
1	1	5.955	1.000	.00	.00	.00	.00	.00	.00
	2	.020	17.246	.96	.01	.00	.01	.02	.02
	3	.010	24.218	.03	.47	.08	.00	.17	.08
	4	.006	31.448	.01	.43	.85	.00	.00	.04
	5	.005	35.084	.00	.05	.00	.03	.77	.55
	6	.004	39.692	.00	.04	.06	.95	.04	.31

a. Dependent Variable: Islamic Mortgage Inclination

Casewise Diagnostics^a

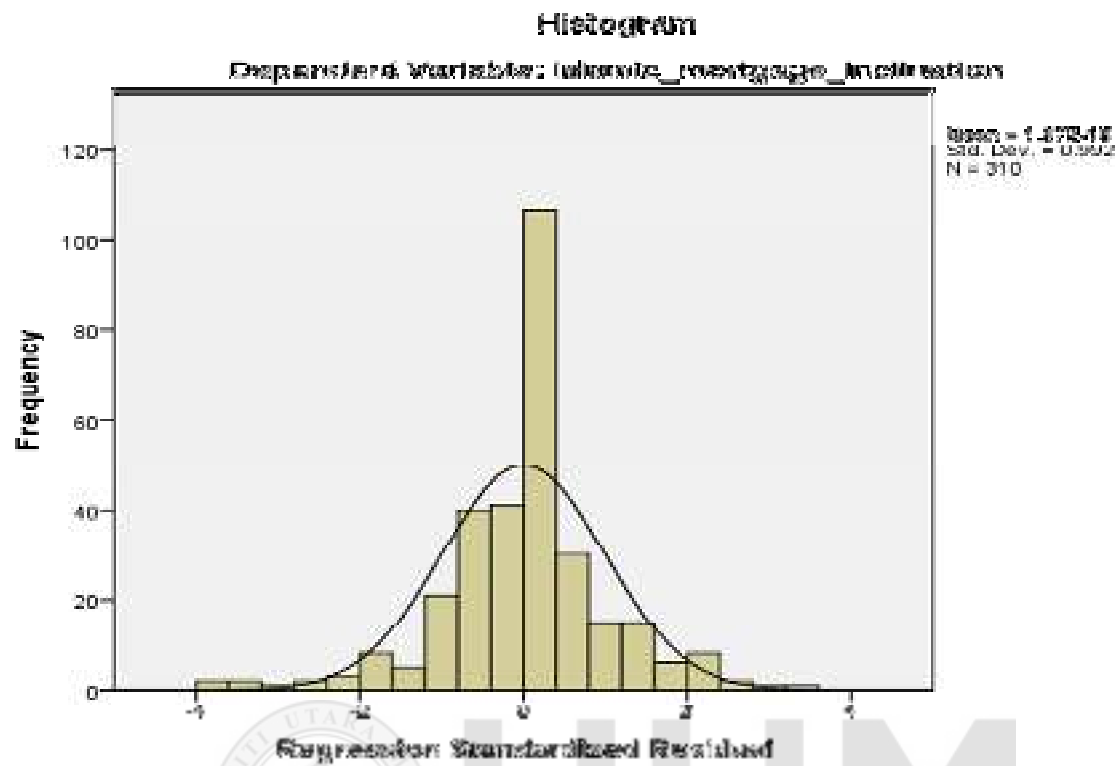
Case Number	Std. Residual	Islamic Mortgage Inclination	Predicted Value	Residual
134	3.238	5.00	3.7271	1.27294
155	-3.288	3.00	4.2928	-1.29283
181	-3.063	3.00	4.2042	-1.20418
227	-3.847	3.00	4.5126	-1.51264
228	-3.619	3.00	4.4227	-1.42274
235	-3.322	3.00	4.3061	-1.30608

a. Dependent Variable: Islamic Mortgage Inclination

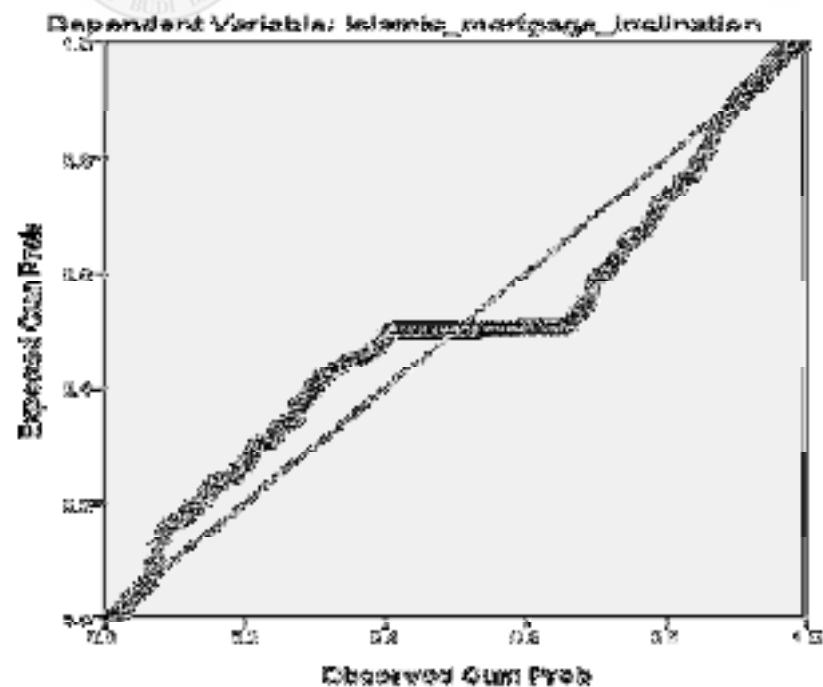
Residuals Statistics^a

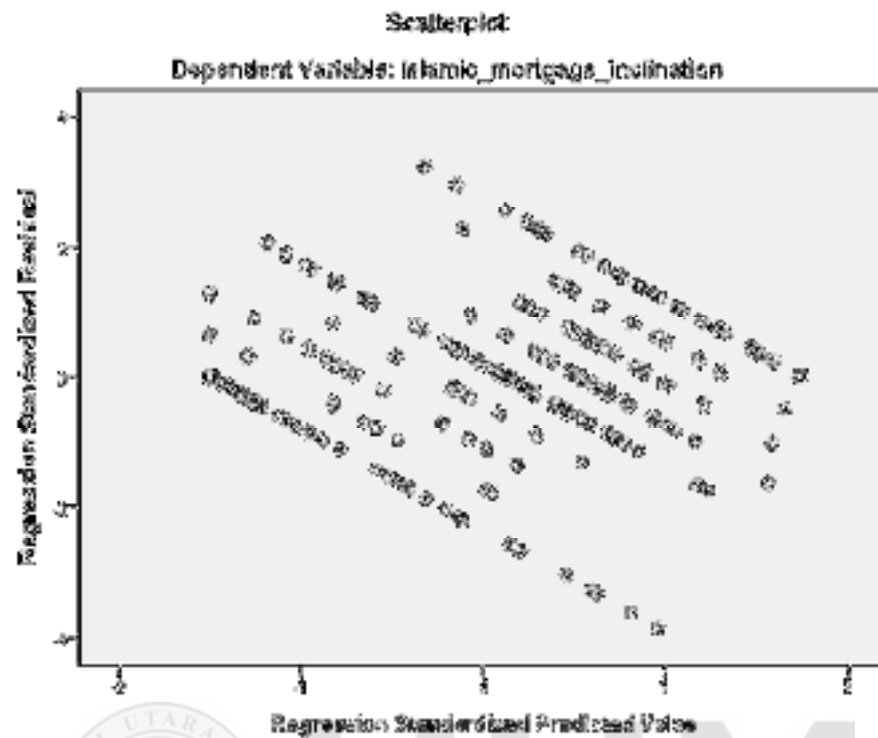
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.9988	4.9947	3.9226	.61638	310
Std. Predicted Value	-1.499	1.739	.000	1.000	310
Standard Error of Predicted Value	.023	.151	.051	.019	310
Adjusted Predicted Value	2.9935	4.9946	3.9235	.61667	310
Residual	-1.51264	1.27294	.00000	.38999	310
Std. Residual	-3.847	3.238	.000	.992	310
Stud. Residual	-3.880	3.281	-.001	1.005	310
Deleted Residual	-1.53836	1.30717	-.00090	.40037	310
Stud. Deleted Residual	-3.973	3.335	-.002	1.012	310
Mahal. Distance	.105	44.499	4.984	4.836	310
Cook's Distance	.000	.243	.005	.016	310
Centered Leverage Value	.000	.144	.016	.016	310

a. Dependent Variable: Islamic Mortgage Inclination



Normal P-P Plot of Regression Standardized Residual





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APPENDIX G

(Questionnaire)





Pusat Pengajian Perniagaan Islam
ISLAMIC BUSINESS SCHOOL
كلية إدارة الأعمال الإسلامية
Universiti Utara Malaysia

Dear respected respondents:

You are invited to participate in this research entitled **Determinants Factor of Islamic Mortgage Inclination**. All the information and respondents identity will be kept strictly confidential and will be used for academic purpose only.

Thank you for your time and cooperation.

Your participation is highly appreciated.

Responden yang dihormati:

Anda dijemput untuk mengambil bahagian dalam penyelidikan ini yang bertajuk “**Faktor Penentuan Kecenderungan Pembiayaan Perumahan Secara Islam**”. Semua identiti maklumat dan responden akan disimpan secara rahsia dan akan digunakan untuk tujuan akademik sahaja.

Terima kasih di atas kelapangan kerana masa dan kerjasama anda.

Penyertaan anda sangat dihargai.

Sincerely,
Yang ikhlas,

LINA NADHIRAH BINTI ABDUL HADI

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Section A/*Seksyen A*

Demographic Profile/*Profil Demografi*

Direction : Please select the best option that describes you.

Arahan : Sila pilih pilihan terbaik yang menceritakan diri anda.

2. Gender : Male ☐ Female ☐
Jantina Lelaki Perempuan
3. Age : 18 - 27 years old ☐ 38 - 47 years old ☐
Umur 28 - 37 years old ☐ 48 years old and above ☐
4. Job Specification : Senior Officer ☐ Officer ☐
Spesifikasi Pekerjaan Pegawai Senior Pegawai
Assistant Officer ☐ Supporting Staff ☐
Pegawai Sokongan Staf Sokongan
5. Monthly Income : Less than RM 2,500 ☐ RM 5,501 - RM 6,500 ☐
Pendapatan Bulanan RM 2,501 - RM 3,500 ☐ RM 6,501 - RM 7,500 ☐
RM 3,501 - RM 4,500 ☐ More than RM 7,500 ☐
RM 4,501 - RM 5,500 ☐
6. Have you ever made an Islamic housing loan?
Adakah anda pernah membuat pinjaman perumahan Islam?
Yes ☐ No ☐
Ya Tiada
7. In which area do you stay?
Di daerah manakah anda menetap?
Jitra ☐ Bukit Kayu Hitam ☐ Ayer Hitam ☐
Sintok ☐ Bandar Darul Aman ☐
Changlun ☐ Kodiang ☐

Section B : Determinants Factor of Islamic Mortgage Inclination.
Direction : Please circle the number of your answer that relates your opinion towards Determinants Factor of Islamic Mortgage Inclination

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

	Islamic Mortgage Inclination (Kecenderungan Pembiayaan Perumahan Secara Islam)	SD	D	N	A	SA
IMI 1	I used Islamic mortgage because it's very facilitating. <i>Saya menggunakan pembiayaan perumahan secara Islam kerana mendapati ia sangat memudahkan.</i>	1	2	3	4	5
IMI 2	I used Islamic financing for my home mortgage. <i>Saya menggunakan pembiayaan perumahan secara Islam untuk membeli rumah.</i>	1	2	3	4	5
IMI 3	I found Islamic mortgage is very comforting. <i>Saya mendapati pembiayaan perumahan secara Islam sangat menyenangkan.</i>	1	2	3	4	5
IMI 4	I found Islamic mortgage is very interesting. <i>Saya mendapati pembiayaan perumahan secara Islam sangat menarik.</i>	1	2	3	4	5
	Consumer Attitude(Sikap Pengguna)	SD	D	N	A	SA
CA 1	Choosing Islamic Mortgage is a good idea. <i>Memilih pembiayaan perumahan secara Islam adalah idea yang baik.</i>	1	2	3	4	5
CA 2	Choosing Islamic Mortgage is useful. <i>Memilih pembiayaan perumahan secara Islam adalah berguna.</i>	1	2	3	4	5
CA 3	Choosing Islamic Mortgage is beneficial. <i>Memilih pembiayaan perumahan secara Islam adalah bermanfaat.</i>	1	2	3	4	5
CA 4	Islamic Mortgage is one of the best Islamic banking products. <i>Pembiayaan perumahan secara Islam adalah salah satu produk perbankan Islam terbaik.</i>	1	2	3	4	5
CA 5	I appreciate the existence of Islamic Mortgage. <i>Saya menghargai kewujudan pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
CA 6	I feel comfortable using Islamic mortgage. <i>Saya berasa selesa menggunakan pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
CA 7	I like to use Islamic mortgage. <i>Saya suka menggunakan pembiayaan perumahan secara Islam.</i>	1	2	3	4	5

	Perceived Risk(Risiko yang dilihat)	SD	D	N	A	SA
PR 1	I able to see the risk involve in Islamic mortgage product. <i>Saya tahu ada risiko dalam pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
PR 2	The lower the risk, the higher influence to choose the product. <i>Semakin rendah risiko, semakin tinggi pengaruh saya untuk memilih produk.</i>	1	2	3	4	5
PR 3	I able to bear the risk due to low validity. <i>Saya dapat menanggung risiko yang rendah.</i>	1	2	3	4	5
PR 4	When doing Islamic mortgage financing, I'm sure the service is provided as promised. <i>Saya mendapati perkhidmatan yang disediakan dalam pembiayaan perumahan secara Islam adalah seperti yang dijanjikan.</i>	1	2	3	4	5
PR 5	The idea of choosing Islamic mortgage product makes me to concern about the reliability of the service. <i>Saya mendapati idea pemilihan pembiayaan perumahan secara Islam meyakinkan saya dalam perkhidmatan tersebut.</i>	1	2	3	4	5
PR 6	When doing Islamic mortgage financing, I am concerned about the level of service which can provides the benefits I expected. <i>Saya yakin tahap perkhidmatan yang diberikan kepada saya memenuhi keinginan saya dalam melakukan pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
	Service Quality(Kualiti Servis)	SD	D	N	A	SA
SQ 1	I am satisfied on service quality in Islamic mortgage product. <i>Saya berpuas hati dengan kualiti perkhidmatan dalam produk pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
SQ 2	I am satisfied on the term used in the Islamic mortgage financing. <i>Saya berpuas hati dengan istilah yang digunakan dalam pembiayaan perumahan secara Islam.</i>	1	2	3	4	5
SQ 3	The officers who manage Islamic mortgage financing are very efficient. <i>Pegawai yang menguruskan pembiayaan perumahan secara Islam sangat cekap.</i>	1	2	3	4	5
SQ 4	The officers who manage Islamic mortgage financing are very capable. <i>Pegawai yang menguruskan pembiayaan perumahan secara Islam sangat berkebolehan.</i>	1	2	3	4	5
SQ 5	The officers who manage Islamic mortgage financing are very reliable. <i>Pegawai yang menguruskan pembiayaan perumahan secara</i>	1	2	3	4	5

	<i>Islam sangat boleh dipercayai.</i>					
SQ 6	The officers who manage Islamic mortgage financing are very ethical. <i>Pegawai yang menguruskan pembiayaan perumahan secara Islam sangat beretika.</i>	1	2	3	4	5
SQ 7	The officers who manage Islamic mortgage financing understand the needs of customers. <i>Pegawai yang menguruskan pembiayaan perumahan secara Islam sangat memahami kehendak pelanggan.</i>	1	2	3	4	5
	Product Choice(Pemilihan Produk)	SD	D	N	A	SA
PC 1	The Islamic mortgage product provided me with helpful information. <i>Produk pembiayaan perumahan secara Islam ini memberikan saya maklumat yang berguna.</i>	1	2	3	4	5
PC 2	The Islamic mortgage product meets the various need of customer. <i>Produk pembiayaan perumahan secara Islam memenuhi pelbagai keperluan pelanggan.</i>	1	2	3	4	5
PC 3	The Islamic mortgage products have been variety. <i>Produk pembiayaan perumahan secara Islam ini ada pelbagai jenis.</i>	1	2	3	4	5
PC 4	The Islamic mortgage based on syariah compliant. <i>Produk pembiayaan perumahan secara Islam berdasarkan patuh syariah.</i>	1	2	3	4	5
	Islamic Debt Policy(Dasar Hutang Islam)	SD	D	N	A	SA
IDP 1	I found that contract used in Islamic mortgage is aligned with Islamic principle. <i>Saya mendapati bahawa kontrak yang digunakan dalam pembiayaan perumahan secara Islam adalah sejajar dengan prinsip Islam.</i>	1	2	3	4	5
IDP 2	I found that Islamic debt policies are consistent in Shariah. <i>Saya mendapati bahawa dasar hutang Islam adalah konsisten dalam Syariah.</i>	1	2	3	4	5
IDP 3	I found that Islamic debt policies are free from riba. <i>Saya mendapati dasar hutang dalam Islam bebas daripada unsur riba.</i>	1	2	3	4	5
IDP 4	I found that Islamic bank provide mortgage financing without burdened their customer. <i>Saya mendapati bahawa bank Islam menyediakan pembiayaan perumahan secara Islam tidak membebankan pelanggan.</i>	1	2	3	4	5
IDP 5	I found that there is a clear understanding regarding on Islamic mortgage contract. <i>Saya memahami dengan jelas kontrak pembiayaan perumahan secara Islam.</i>	1	2	3	4	5